

1 AN ACT

2 relating to the nonsubstantive revision of the event reimbursement  
3 programs, including the Pan American Games trust fund, Olympic  
4 Games trust fund, Major Events reimbursement program fund, Motor  
5 Sports Racing trust fund, and Events trust fund; including  
6 conforming amendments.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 ARTICLE 1. NONSUBSTANTIVE REVISION OF THE EVENT REIMBURSEMENT  
9 PROGRAMS

10 SECTION 1.01. Title 4, Government Code, is amended by  
11 adding Subtitle E-1 to read as follows:

12 SUBTITLE E-1. EVENT REIMBURSEMENT PROGRAMS

13 CHAPTER 475. GENERAL PROVISIONS

14 CHAPTER 476. PAN AMERICAN GAMES TRUST FUND

15 CHAPTER 477. OLYMPIC GAMES TRUST FUND

16 CHAPTER 478. MAJOR EVENTS REIMBURSEMENT PROGRAM

17 CHAPTER 479. MOTOR SPORTS RACING TRUST FUND

18 CHAPTER 480. EVENTS TRUST FUND

19 SUBTITLE E-1. EVENT REIMBURSEMENT PROGRAMS

20 CHAPTER 475. GENERAL PROVISIONS

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 475.0001. DEFINITIONS

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- 22 COMMITTEES; FINANCIAL DISCLOSURES
- 23 SUBCHAPTER D. LOCAL GOVERNMENT CORPORATION IN CERTAIN POPULOUS
- 24 COUNTIES AS ENDORSING MUNICIPALITY OR COUNTY
- 25 Sec. 475.0151. APPLICABILITY
- 26 Sec. 475.0152. AUTHORITY TO ACT AS ENDORSING
- 27 MUNICIPALITY OR COUNTY

1 Sec. 475.0153. DEPOSIT OF MUNICIPAL OR COUNTY TAX REVENUE  
2 TO TRUST FUND

3 Sec. 475.0154. PLEDGE OF SURCHARGES TO GUARANTEE  
4 OBLIGATIONS

5 SUBCHAPTER E. CRIMINAL PENALTIES

6 Sec. 475.0201. OFFENSE OF BRIBERY

7 CHAPTER 475. GENERAL PROVISIONS

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 475.0001. DEFINITIONS. In this subtitle:

10 (1) "Endorsing county" means an endorsing county for  
11 purposes of Chapter 477, 478, 479, or 480.

12 (2) "Endorsing municipality" means an endorsing  
13 municipality for purposes of Chapter 476, 477, 478, 479, or 480.

14 (3) "Event" means a game or an event as defined by  
15 Chapter 478, 479, or 480.

16 (4) "Games" means any of the following and includes  
17 the events and activities related to the following:

18 (A) the College Football Playoff games;

19 (B) the Major League Baseball All-Star Game;

20 (C) the National Basketball Association All-Star  
21 Game;

22 (D) the National Collegiate Athletic Association  
23 Final Four;

24 (E) the National Hockey League All-Star Game;

25 (F) the Olympic Games;

26 (G) the Pan American Games;

27 (H) the Super Bowl;

1 (I) the World Cup Soccer Games; or

2 (J) the World Games.

3 (5) "Games support contract" means a joinder  
4 undertaking, a joinder agreement, or a similar contract executed by  
5 the office and containing terms permitted or required by this  
6 subtitle.

7 (6) "Joinder agreement" means an agreement:

8 (A) entered into by the office on behalf of this  
9 state and a site selection organization setting out representations  
10 and assurances by this state in connection with the selection of a  
11 site in this state for a game or event; or

12 (B) entered into by a local organizing committee,  
13 an endorsing municipality, or an endorsing county, or more than one  
14 local organizing committee, endorsing municipality, or endorsing  
15 county acting collectively, and a site selection organization  
16 setting out representations and assurances by each local organizing  
17 committee, endorsing municipality, or endorsing county in  
18 connection with the selection of a site in this state for a game or  
19 event.

20 (7) "Joinder undertaking" means an agreement:

21 (A) entered into by the office on behalf of this  
22 state and a site selection organization that this state will  
23 execute a joinder agreement if the site selection organization  
24 selects a site in this state for a game or event; or

25 (B) entered into by a local organizing committee,  
26 an endorsing municipality, or an endorsing county, or more than one  
27 local organizing committee, endorsing municipality, or endorsing

1 county acting collectively, and a site selection organization that  
2 each local organizing committee, endorsing municipality, or  
3 endorsing county will execute a joinder agreement if the site  
4 selection organization selects a site in this state for a game or  
5 event.

6 (8) "Local organizing committee" means a nonprofit  
7 corporation or the corporation's successor in interest that:

8 (A) is authorized by an endorsing municipality,  
9 endorsing county, or more than one endorsing municipality or county  
10 acting collectively to pursue an application and bid on the  
11 applicant's behalf to a site selection organization for selection  
12 as the site of a game or event; or

13 (B) with authorization from an endorsing  
14 municipality, endorsing county, or more than one endorsing  
15 municipality or county acting collectively, executes an agreement  
16 with a site selection organization regarding a bid to host a game or  
17 event.

18 (9) "Office" means the Texas Economic Development and  
19 Tourism Office within the office of the governor.

20 (10) "Site selection organization" means a site  
21 selection organization as defined by Chapters 477, 478, and 480.  
22 (V.A.C.S. Art. 5190.14, Secs. 1(1), (1-a), (2), (2-a), (3) as  
23 amended Acts 78th Leg., R.S., Ch. 814, (4), (5), (6), (7), (8).)

24 Sec. 475.0002. PURPOSES OF SUBTITLE. The purposes of this  
25 subtitle are to:

26 (1) provide assurances required by a site selection  
27 organization sponsoring a game or event; and



1           Sec. 475.0051. APPLICABILITY OF SUBCHAPTER. This  
2 subchapter does not apply to or otherwise affect an event support  
3 contract under Chapter 478, 479, or 480 to which the office is not a  
4 party. (V.A.C.S. Art. 5190.14, Sec. 7(a) (part).)

5           Sec. 475.0052. REQUEST FOR OFFICE TO ENTER INTO GAMES  
6 SUPPORT CONTRACT. (a) The office shall review a request from a  
7 local organizing committee, endorsing municipality, or endorsing  
8 county that the office, on behalf of this state, enter into a games  
9 support contract required by a site selection organization in  
10 connection with the committee's, municipality's, or county's bid to  
11 host any of the games.

12           (b) A request under Subsection (a) must be accompanied by:

13                   (1) a general description and summary of the games for  
14 which the local organizing committee, endorsing municipality, or  
15 endorsing county is seeking a site selection;

16                   (2) a preliminary and general description of the  
17 proposal the local organizing committee, endorsing municipality,  
18 or endorsing county intends to submit to a site selection  
19 organization;

20                   (3) the estimated cost of preparing and submitting the  
21 intended proposal;

22                   (4) the local organizing committee's, endorsing  
23 municipality's, or endorsing county's intended method of obtaining  
24 the money needed for preparing the proposal;

25                   (5) a description by type and approximate amount of  
26 the site selection application costs that the local organizing  
27 committee, endorsing municipality, or endorsing county intends to

1 pay; and

2 (6) any other information reasonably requested by the  
3 office to assist the office in reviewing the request. (V.A.C.S.  
4 Art. 5190.14, Secs. 7(a) (part), (b).)

5 Sec. 475.0053. TIME FOR DETERMINATION. The office shall  
6 approve or deny a request under Section 475.0052 not later than the  
7 30th day after the date the local organizing committee, endorsing  
8 municipality, or endorsing county submits the request. (V.A.C.S.  
9 Art. 5190.14, Sec. 7(c).)

10 Sec. 475.0054. PREREQUISITE FOR EXECUTION OF GAMES SUPPORT  
11 CONTRACT. The office may agree to execute a games support contract  
12 only if:

13 (1) the office determines that:

14 (A) this state's assurances and obligations  
15 under the contract are reasonable; and

16 (B) any financial commitment of this state will  
17 be satisfied exclusively by recourse to the Pan American Games  
18 trust fund or the Olympic Games trust fund, as applicable; and

19 (2) the endorsing municipality or endorsing county has  
20 executed an agreement with a site selection organization that  
21 contains substantially similar terms. (V.A.C.S. Art. 5190.14, Sec.  
22 7(f).)

23 Sec. 475.0055. JOINDER UNDERTAKING TERMS. The office may  
24 agree in a joinder undertaking entered into with a site selection  
25 organization that the office will:

26 (1) execute a joinder agreement if the site selection  
27 organization selects a site in this state for the games; and

1           (2) refrain from taking any action after execution of  
2 the joinder undertaking that would impair the office's ability to  
3 execute the joinder agreement. (V.A.C.S. Art. 5190.14, Sec. 7(d).)

4           Sec. 475.0056. JOINDER AGREEMENT TERMS. The office may  
5 agree in a joinder agreement that this state will:

6           (1) provide or cause to be provided all of the  
7 governmental funding, facilities, and other resources specified in  
8 the local organizing committee's, endorsing municipality's, or  
9 endorsing county's bid to host the games;

10           (2) be bound by the terms of, cause the local  
11 organizing committee, endorsing municipality, or endorsing county  
12 to perform, and guarantee performance of the committee's,  
13 municipality's, or county's obligations under contracts relating to  
14 selecting a site in this state for the games; and

15           (3) be jointly and severally liable with the local  
16 organizing committee, endorsing municipality, or endorsing county  
17 for:

18                   (A) an obligation of the committee,  
19 municipality, or county to a site selection organization, including  
20 an obligation indemnifying the organization against a claim of and  
21 liability to a third party arising out of or relating to the games;  
22 and

23                   (B) any financial deficit relating to the games.  
24 (V.A.C.S. Art. 5190.14, Sec. 7(e).)

25           Sec. 475.0057. ADDITIONAL TERMS OF GAMES SUPPORT CONTRACT.  
26 A games support contract may contain any additional provision the  
27 office requires to carry out the purposes of this subtitle.

1 (V.A.C.S. Art. 5190.14, Sec. 7(h).)

2           Sec. 475.0058. REPAYMENT AGREEMENT REQUIRED. (a) Before  
3 executing a games support contract, the office must execute an  
4 agreement with the local organizing committee, endorsing  
5 municipality, or endorsing county requiring the committee,  
6 municipality, or county to repay this state any money spent by the  
7 office under this subtitle if a site selection organization selects  
8 a site for the games in this state in accordance with an application  
9 by the committee, municipality, or county.

10           (b) The local organizing committee, endorsing municipality,  
11 or endorsing county will make a repayment under Subsection (a) from  
12 any surplus of the committee's, municipality's, or county's money  
13 remaining after:

14                   (1) presentation of the games; and

15                   (2) payment of the expenses and obligations incurred  
16 by the committee, municipality, or county. (V.A.C.S. Art. 5190.14,  
17 Sec. 7(g).)

18           Sec. 475.0059. STATE AS ADDITIONAL INSURED. The office may  
19 require a local organizing committee, endorsing municipality, or  
20 endorsing county to list this state as an additional insured on any  
21 insurance policy purchased by the committee, municipality, or  
22 county that a site selection organization requires to be in effect  
23 in connection with the games. (V.A.C.S. Art. 5190.14, Sec. 7(i).)

24           Sec. 475.0060. SUPPORT BY CERTAIN STATE AGENCIES. The  
25 Texas Department of Transportation, the Department of Public Safety  
26 of the State of Texas, and the Texas Department of Housing and  
27 Community Affairs may:

1           (1) assist a local organizing committee, endorsing  
2 municipality, or endorsing county in developing applications and  
3 planning for the games; and

4           (2) enter into a contract or agreement or give  
5 assurances related to the presentation of the games. (V.A.C.S. Art.  
6 5190.14, Sec. 7(j).)

7           SUBCHAPTER C. LOCAL ORGANIZING COMMITTEES

8           Sec. 475.0101. APPLICABILITY OF OPEN MEETINGS AND OPEN  
9 RECORDS LAWS. (a) A local organizing committee and the committee's  
10 governing body are subject to Chapters 551 and 552. For purposes of  
11 those chapters, the governing body of a local organizing committee  
12 is considered a governmental body as defined by those chapters. For  
13 purposes of Chapter 552, the records and information of a local  
14 organizing committee are considered public records and public  
15 information.

16           (b) A final bid that a local organizing committee submits to  
17 a site selection organization, or a draft of that bid, is excepted  
18 from required public disclosure under Chapter 552 until the  
19 organization selects the site for the games.

20           (c) Chapter 551 does not apply to a meeting of a  
21 subcommittee of a local organizing committee's governing body if:

22           (1) the subcommittee consists of not more than five  
23 members;

24           (2) the meeting is not held in a public building;

25           (3) the subcommittee makes a recording of the meeting  
26 proceedings in compliance with Section 551.103, and the committee  
27 preserves the recording until the second anniversary of the date

1 the recording is made;

2 (4) the subcommittee does not discuss or decide any  
3 financial matters during the meeting; and

4 (5) any decision the subcommittee makes will not take  
5 effect without the governing body reviewing and officially adopting  
6 the decision at a meeting held in compliance with Chapter 551.

7 (d) A recording made under Subsection (c) is subject to  
8 required public disclosure in the manner prescribed by Chapter 552  
9 for a public record. (V.A.C.S. Art. 5190.14, Sec. 8.)

10 Sec. 475.0102. TAX EXEMPTIONS FOR CERTAIN COMMITTEES. A  
11 local organizing committee that is exempt from paying federal  
12 income tax under Section 501(c), Internal Revenue Code of 1986, is  
13 exempt from:

14 (1) the sales, excise, and use taxes imposed under  
15 Chapter 151, Tax Code;

16 (2) taxes on the sale, rental, and use of a motor  
17 vehicle imposed under Chapter 152, Tax Code;

18 (3) the hotel occupancy tax imposed under Chapter 156,  
19 Tax Code; and

20 (4) the franchise tax imposed under Chapter 171, Tax  
21 Code. (V.A.C.S. Art. 5190.14, Sec. 9(a).)

22 Sec. 475.0103. ETHICS REQUIREMENTS RELATING TO CERTAIN  
23 COMMITTEES; FINANCIAL DISCLOSURES. (a) A local organizing  
24 committee that submits a request under Section 475.0052 must:

25 (1) affirm as a part of that request that the committee  
26 is in full compliance with the ethical guidelines provided by all  
27 contracts entered into and rules adopted by the site selection

1 organization, including the organization's requirements regarding  
2 disclosure of any financial interest a director, officer, or  
3 senior-level employee of the committee has in any proposed  
4 transaction with the committee;

5 (2) not later than the 15th day of the first month  
6 following each calendar quarter, file with the secretary of the  
7 endorsing municipality for which the committee submits a request:

8 (A) a certification that the committee continues  
9 to comply with the ethical guidelines described by Subdivision (1);  
10 and

11 (B) a report of contributions to and expenditures  
12 by the committee, in the manner described by Subsection (b); and

13 (3) file with the secretary of the endorsing  
14 municipality on April 15 of each year a copy of each financial  
15 statement a committee or a member of a committee is required to  
16 submit to the United States Olympic Committee during the preceding  
17 calendar year.

18 (b) A report under Subsection (a)(2)(B) must include:

19 (1) for each contribution made to the local organizing  
20 committee:

21 (A) the contributor's full name and address;

22 (B) the date of the contribution;

23 (C) whether the contribution is cash, made by  
24 check, or in-kind; and

25 (D) the amount or market value of the  
26 contribution; and

27 (2) for each expenditure made by the local organizing

1 committee:

2 (A) the full name and address of the person who  
3 receives payment of the expenditure;

4 (B) the date of the expenditure;

5 (C) the amount of the expenditure; and

6 (D) the purpose of the expenditure.

7 (c) The endorsing municipality for which a local organizing  
8 committee submits a request under Section 475.0052 must have a  
9 comprehensive ethics code establishing standards of conduct,  
10 disclosure requirements, and enforcement mechanisms relating to  
11 municipal officials and employees before the office considers the  
12 request. (V.A.C.S. Art. 5190.14, Sec. 10.)

13 SUBCHAPTER D. LOCAL GOVERNMENT CORPORATION IN CERTAIN POPULOUS  
14 COUNTIES AS ENDORSING MUNICIPALITY OR COUNTY

15 Sec. 475.0151. APPLICABILITY. This subchapter applies only  
16 to a local government corporation that:

17 (1) is authorized to collect a municipal hotel  
18 occupancy tax; and

19 (2) is located in a county with a population of 3.3  
20 million or more. (V.A.C.S. Art. 5190.14, Sec. 12(a).)

21 Sec. 475.0152. AUTHORITY TO ACT AS ENDORSING MUNICIPALITY  
22 OR COUNTY. (a) A local government corporation may act as an  
23 endorsing municipality or endorsing county under this subtitle.

24 (b) Subject to Section 475.0153, a local government  
25 corporation acting as an endorsing municipality or endorsing county  
26 under this subtitle has all the powers of an endorsing municipality  
27 or endorsing county under this subtitle, and any action an

1 endorsing municipality or endorsing county is required to take by  
2 ordinance or order under this subtitle may be taken by order or  
3 resolution of the corporation. (V.A.C.S. Art. 5190.14,  
4 Secs. 12(b), (e).)

5 Sec. 475.0153. DEPOSIT OF MUNICIPAL OR COUNTY TAX REVENUE  
6 TO TRUST FUND. (a) A local government corporation acting as an  
7 endorsing municipality or endorsing county under this subtitle  
8 shall remit for deposit into the trust fund established for the  
9 games or event the amounts determined by the office under this  
10 subtitle.

11 (b) The office shall determine the incremental increase in  
12 tax receipts attributable to the games or event and related  
13 activities under this subtitle based on the amount of taxes imposed  
14 by each municipality or county that comprises the corporation and  
15 not on the amount of taxes imposed by the corporation. (V.A.C.S.  
16 Art. 5190.14, Sec. 12(c).)

17 Sec. 475.0154. PLEDGE OF SURCHARGES TO GUARANTEE  
18 OBLIGATIONS. A local government corporation acting as an endorsing  
19 municipality or endorsing county under this subtitle may guarantee  
20 the corporation's obligations under a games support contract or  
21 event support contract by pledging surcharges from user fees,  
22 including parking or ticket fees, charged in connection with the  
23 games or event and related activities. (V.A.C.S. Art. 5190.14,  
24 Sec. 12(d).)

25 SUBCHAPTER E. CRIMINAL PENALTIES

26 Sec. 475.0201. OFFENSE OF BRIBERY. (a) In this section,  
27 "benefit" has the meaning assigned by Section [36.01](#), Penal Code.

1 (b) A person commits an offense if the person intentionally  
2 or knowingly offers, confers, or agrees to confer on another  
3 person, or solicits, accepts, or agrees to accept from another  
4 person, any benefit as consideration for the recipient's decision,  
5 opinion, recommendation, vote, or other exercise of discretion as a  
6 member or employee of a local organizing committee or site  
7 selection organization.

8 (c) It is a defense to prosecution under Subsection (b) that  
9 the benefit conferred is a meal or entertainment reported under  
10 Section 475.0103(a)(2)(B).

11 (d) It is not a defense to prosecution under Subsection (b)  
12 that a person whom the actor sought to influence was not qualified  
13 to act as the actor intended the person to act.

14 (e) It is not a defense to prosecution under Subsection (b)  
15 that the benefit is not offered or conferred or that the benefit is  
16 not solicited or accepted until after:

17 (1) the decision, opinion, recommendation, vote, or  
18 other exercise of discretion has occurred; or

19 (2) the person whom the actor sought to influence is no  
20 longer a member of the local organizing committee or a site  
21 selection organization.

22 (f) An offense under this section is a felony of the second  
23 degree. (V.A.C.S. Art. 5190.14, Sec. 11.)

24 CHAPTER 476. PAN AMERICAN GAMES TRUST FUND

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 476.0001. DEFINITIONS

27 Sec. 476.0002. ELIGIBILITY AS ENDORSING MUNICIPALITY

1                   SUBCHAPTER B. STATE ACTIONS RELATING TO GAMES  
2   Sec. 476.0051.   DETERMINATION OF INCREMENTAL INCREASE  
3                    IN CERTAIN TAX RECEIPTS  
4   Sec. 476.0052.   TIME FOR DETERMINATION  
5   Sec. 476.0053.   DESIGNATION OF MARKET AREA  
6   Sec. 476.0054.   ESTIMATE OF TAX REVENUE CREDITED TO  
7                    TRUST FUND  
8           SUBCHAPTER C. TRUST FUND ESTABLISHMENT, CONTRIBUTION, AND  
9                    LIMITATION  
10   Sec. 476.0101.   PAN AMERICAN GAMES TRUST FUND  
11   Sec. 476.0102.   DEPOSIT OF MUNICIPAL TAX REVENUE  
12   Sec. 476.0103.   STATE TAX REVENUE  
13   Sec. 476.0104.   LIMITATION ON TRANSFERS AND DEPOSITS TO  
14                    TRUST FUND  
15           SUBCHAPTER D. DISBURSEMENTS FROM TRUST FUND  
16   Sec. 476.0151.   DISBURSEMENT WITHOUT APPROPRIATION  
17   Sec. 476.0152.   DISBURSEMENT FROM TRUST FUND  
18   Sec. 476.0153.   ALLOWABLE EXPENSES  
19   Sec. 476.0154.   TRANSFER AND REMITTANCE OF REMAINING  
20                    TRUST FUND MONEY  
21           SUBCHAPTER E. LOCAL POWERS AND DUTIES RELATING TO GAMES  
22   Sec. 476.0201.   REQUIRED INFORMATION  
23   Sec. 476.0202.   PLEDGE OF SURCHARGES TO GUARANTEE  
24                    OBLIGATIONS  
25           SUBCHAPTER F. LIMITATIONS ON JOINT LIABILITY  
26   Sec. 476.0251.   LIMITATION AMOUNTS  
27           CHAPTER 476. PAN AMERICAN GAMES TRUST FUND

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 476.0001. DEFINITIONS. In this chapter:

(1) "Endorsing municipality" means a municipality that authorizes a bid by a local organizing committee for selection of the municipality as the site of the games.

(2) "Games" means the Pan American Games.

(3) "Site selection organization" means:

(A) the Pan American Sports Organization; or

(B) the United States Olympic Committee.

(4) "Trust fund" means the Pan American Games trust fund established by this chapter. (V.A.C.S. Art. 5190.14, Secs. 4(a)(1) as amended Acts 78th Leg., R.S., Ch. 814, (2), (3) (part); New.)

Sec. 476.0002. ELIGIBILITY AS ENDORSING MUNICIPALITY. Only a municipality with a population of 850,000 or more is eligible as an endorsing municipality under this chapter. (V.A.C.S. Art. 5190.14, Sec. 4(a)(3) (part).)

SUBCHAPTER B. STATE ACTIONS RELATING TO GAMES

Sec. 476.0051. DETERMINATION OF INCREMENTAL INCREASE IN CERTAIN TAX RECEIPTS. (a) After a site selection organization selects a site for the games in this state in accordance with an application by a local organizing committee acting on behalf of an endorsing municipality, the office shall determine for each subsequent calendar quarter the incremental increases in the following tax receipts that the office determines are directly attributable to the preparation for and presentation of the games and related events:

1           (1) the receipts to this state from the taxes imposed  
2 under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5,  
3 Alcoholic Beverage Code, in the market areas designated under  
4 Section 476.0053;

5           (2) the receipts collected by this state for the  
6 endorsing municipality from the sales and use tax imposed by the  
7 municipality under Section 321.101(a), Tax Code; and

8           (3) the receipts collected by the endorsing  
9 municipality from the municipality's hotel occupancy tax imposed  
10 under Chapter 351, Tax Code.

11           (b) The office shall make the determination required by  
12 Subsection (a) in accordance with procedures the office develops.  
13 (V.A.C.S. Art. 5190.14, Sec. 4(b) (part).)

14           Sec. 476.0052. TIME FOR DETERMINATION. The office shall  
15 determine the incremental increase in tax receipts under Section  
16 476.0051 after the first occurrence of a measurable economic impact  
17 in this state resulting from the preparation for the games, as  
18 determined by the office, but not later than one year before the  
19 scheduled opening event of the games. (V.A.C.S. Art. 5190.14, Sec.  
20 4(b) (part).)

21           Sec. 476.0053. DESIGNATION OF MARKET AREA. (a) For  
22 purposes of Section 476.0051(a)(1), the office shall designate as a  
23 market area for the games each area in which the office determines  
24 there is a reasonable likelihood of measurable economic impact  
25 directly attributable to the preparation for and presentation of  
26 the games and related events. The office shall include areas likely  
27 to provide venues, accommodations, and services in connection with

1 the games based on the proposal the local organizing committee  
2 provides under Section 475.0052.

3 (b) The office shall determine the geographic boundaries of  
4 each market area.

5 (c) The endorsing municipality selected as the site for the  
6 games must be included in a market area for the games. (V.A.C.S.  
7 Art. 5190.14, Sec. 4(c).)

8 Sec. 476.0054. ESTIMATE OF TAX REVENUE CREDITED TO TRUST  
9 FUND. (a) Not later than September 1 of the year that is eight  
10 years before the year the games would be held in this state, the  
11 office shall provide an estimate of the total amount of municipal  
12 and state tax revenue that would be transferred or deposited to the  
13 trust fund before January 1 of the year following the year the games  
14 would be held if the games were held in this state at a site selected  
15 in accordance with an application by a local organizing committee.

16 (b) The office shall provide the estimate on request to a  
17 local organizing committee.

18 (c) A local organizing committee may submit the office's  
19 estimate to a site selection organization. (V.A.C.S. Art. 5190.14,  
20 Sec. 4(i).)

21 SUBCHAPTER C. TRUST FUND ESTABLISHMENT, CONTRIBUTION, AND

22 LIMITATION

23 Sec. 476.0101. PAN AMERICAN GAMES TRUST FUND. The Pan  
24 American Games trust fund is established outside the state  
25 treasury. The trust fund is held in trust by the comptroller for  
26 administration of this subtitle. (V.A.C.S. Art. 5190.14, Sec. 4(f)  
27 (part).)

1           Sec. 476.0102. DEPOSIT OF MUNICIPAL TAX REVENUE. (a)  
2 Subject to Section 476.0104, the endorsing municipality shall  
3 deposit to the trust fund the amount of the municipality's hotel  
4 occupancy tax revenue determined under Section 476.0051(a)(3). The  
5 endorsing municipality shall deposit the hotel occupancy tax  
6 revenue to the trust fund at least quarterly.

7           (b) To guarantee the joint obligations of this state and the  
8 endorsing municipality under a games support contract and this  
9 subtitle, the comptroller, at the direction of the office, shall  
10 retain the amount of municipal sales and use tax revenue determined  
11 under Section 476.0051(a)(2) from the amounts otherwise required to  
12 be sent to the municipality under Section [321.502](#), Tax Code, and,  
13 subject to Section 476.0104, deposit the retained tax revenue to  
14 the trust fund.

15           (c) The comptroller shall begin retaining the municipal  
16 sales and use tax revenue with the first distribution of that tax  
17 revenue that occurs after the date the office makes the  
18 determination under Section 476.0051(a)(2).

19           (d) The comptroller shall discontinue retaining the  
20 municipal sales and use tax revenue on the earlier of:

21                 (1) the end of the third calendar month following the  
22 month in which the closing event of the games occurs; or

23                 (2) the date the amount of municipal sales and use tax  
24 revenue and municipal hotel occupancy tax revenue in the trust fund  
25 equals 14 percent of the maximum amount of municipal and state tax  
26 revenue that may be transferred or deposited to the trust fund under  
27 Section 476.0104. (V.A.C.S. Art. 5190.14, Secs. 4(d), (f) (part).)

1           Sec. 476.0103. STATE TAX REVENUE. (a) At the time the  
2 endorsing municipality deposits to the trust fund its hotel  
3 occupancy tax revenue under Section 476.0102(a), the comptroller,  
4 at the direction of the office, shall transfer to the trust fund a  
5 portion of the state tax revenue determined under Section  
6 476.0051(a)(1) in an amount equal to 6.25 multiplied by the amount  
7 of that municipal hotel occupancy tax revenue.

8           (b) At the time the comptroller deposits to the trust fund  
9 the municipal sales and use tax revenue under Section 476.0102(b),  
10 the comptroller, at the direction of the office, shall transfer to  
11 the trust fund a portion of the state tax revenue determined under  
12 Section 476.0051(a)(1) in an amount equal to 6.25 multiplied by the  
13 amount of that municipal sales and use tax revenue.

14           (c) The comptroller shall discontinue transferring to the  
15 trust fund any state tax revenue determined under Section  
16 476.0051(a)(1) on the earlier of:

17                 (1) the end of the third calendar month following the  
18 month in which the closing event of the games occurs; or

19                 (2) the date the amount of state revenue in the trust  
20 fund equals 86 percent of the maximum amount of municipal and state  
21 tax revenue that may be transferred or deposited to the trust fund  
22 under Section 476.0104. (V.A.C.S. Art. 5190.14, Sec. 4(f) (part).)

23           Sec. 476.0104. LIMITATION ON TRANSFERS AND DEPOSITS TO  
24 TRUST FUND. The total amount of municipal and state tax revenue  
25 transferred or deposited to the trust fund may not exceed \$20  
26 million. (V.A.C.S. Art. 5190.14, Sec. 4(m) (part).)

27                         SUBCHAPTER D. DISBURSEMENTS FROM TRUST FUND

1           Sec. 476.0151. DISBURSEMENT WITHOUT APPROPRIATION. Money  
2 in the trust fund may be spent by the office without appropriation  
3 only as provided by this subtitle. (V.A.C.S. Art. 5190.14, Sec.  
4 4(f) (part).)

5           Sec. 476.0152. DISBURSEMENT FROM TRUST FUND. (a) The  
6 office may make a disbursement from the trust fund only if the  
7 office certifies that the disbursement is for a purpose for which  
8 this state and the endorsing municipality are jointly obligated  
9 under a games support contract or another agreement providing  
10 assurances from the office or the municipality to a site selection  
11 organization.

12           (b) On a certification described by Subsection (a), the  
13 office shall satisfy the obligation:

14                   (1) first, from municipal revenue deposited to the  
15 trust fund and any interest earned on that municipal revenue; and

16                   (2) if the municipal revenue is insufficient to  
17 satisfy the entire deficit, from state revenue transferred to the  
18 trust fund and any interest earned on that state revenue in an  
19 amount sufficient to satisfy the portion of the deficit not covered  
20 by the municipal revenue. (V.A.C.S. Art. 5190.14, Secs. 4(g)  
21 (part), (j), (k).)

22           Sec. 476.0153. ALLOWABLE EXPENSES. The office may use  
23 money in the trust fund only to fulfill joint obligations of this  
24 state and the endorsing municipality to a site selection  
25 organization under a games support contract or another agreement  
26 providing assurances from the office or municipality to a site  
27 selection organization. (V.A.C.S. Art. 5190.14, Sec. 4(g).)

1           Sec. 476.0154. TRANSFER AND REMITTANCE OF REMAINING TRUST  
2 FUND MONEY. (a) On January 1 of the second year following the year  
3 in which the games are held in this state, the comptroller, at the  
4 direction of the office, shall transfer to the general revenue fund  
5 the amount of state revenue remaining in the trust fund plus any  
6 interest earned on that state revenue.

7           (b) The comptroller shall remit to the endorsing  
8 municipality any money remaining in the trust fund after the  
9 required amount is transferred under Subsection (a). (V.A.C.S.  
10 Art. 5190.14, Sec. 4(1).)

11           SUBCHAPTER E. LOCAL POWERS AND DUTIES RELATING TO GAMES

12           Sec. 476.0201. REQUIRED INFORMATION. (a) A local  
13 organizing committee shall provide information required by the  
14 office to fulfill the office's duties under this subtitle,  
15 including:

16           (1) annual audited statements of any committee  
17 financial records required by a site selection organization; and

18           (2) data obtained by the committee relating to:

19                   (A) attendance at the games; and

20                   (B) the economic impact of the games.

21           (b) A local organizing committee must provide any annual  
22 audited financial statement required by the office not later than  
23 the end of the fourth month after the last day of the period covered  
24 by the financial statement. (V.A.C.S. Art. 5190.14, Sec. 4(h).)

25           Sec. 476.0202. PLEDGE OF SURCHARGES TO GUARANTEE  
26 OBLIGATIONS. An endorsing municipality may guarantee its  
27 obligations under a games support contract and this subtitle by

1 pledging, in addition to municipal sales and use tax revenue  
2 retained under Section 476.0102(b), surcharges from user fees  
3 charged in connection with presentation of the games, including  
4 parking or ticket fees. (V.A.C.S. Art. 5190.14, Sec. 4(e).)

5 SUBCHAPTER F. LIMITATIONS ON JOINT LIABILITY

6 Sec. 476.0251. LIMITATION AMOUNTS. The joint liability of  
7 this state and the endorsing municipality under a joinder agreement  
8 and any other games support contracts entered into under this  
9 subtitle may not exceed the lesser of:

10 (1) \$20 million; or

11 (2) the total amount of revenue transferred or  
12 deposited to the trust fund and interest earned on the trust fund.  
13 (V.A.C.S. Art. 5190.14, Sec. 4(m) (part).)

14 CHAPTER 477. OLYMPIC GAMES TRUST FUND

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 477.0001. DEFINITIONS

17 Sec. 477.0002. ELIGIBILITY AS ENDORSING MUNICIPALITY

18 SUBCHAPTER B. STATE ACTIONS RELATING TO GAMES

19 Sec. 477.0051. DETERMINATION OF INCREMENTAL INCREASE

20 IN CERTAIN TAX RECEIPTS

21 Sec. 477.0052. TIME FOR DETERMINATION

22 Sec. 477.0053. DESIGNATION OF MARKET AREA

23 Sec. 477.0054. ESTIMATE OF TAX REVENUE CREDITED TO

24 TRUST FUND

25 SUBCHAPTER C. TRUST FUND ESTABLISHMENT, CONTRIBUTION, AND

26 LIMITATION

27 Sec. 477.0101. OLYMPIC GAMES TRUST FUND

1 Sec. 477.0102. DEPOSIT OF MUNICIPAL AND COUNTY TAX  
2 REVENUE

3 Sec. 477.0103. STATE TAX REVENUE

4 Sec. 477.0104. LIMITATION ON TRANSFERS AND DEPOSITS TO  
5 TRUST FUND

6 SUBCHAPTER D. DISBURSEMENTS FROM TRUST FUND

7 Sec. 477.0151. DISBURSEMENT WITHOUT APPROPRIATION

8 Sec. 477.0152. DISBURSEMENT FROM TRUST FUND

9 Sec. 477.0153. ALLOWABLE EXPENSES

10 Sec. 477.0154. PROHIBITED DISBURSEMENT

11 Sec. 477.0155. TRANSFER AND REMITTANCE OF REMAINING  
12 TRUST FUND MONEY

13 SUBCHAPTER E. LOCAL POWERS AND DUTIES RELATING TO GAMES

14 Sec. 477.0201. REQUIRED INFORMATION

15 Sec. 477.0202. PLEDGE OF SURCHARGES TO GUARANTEE  
16 OBLIGATIONS

17 Sec. 477.0203. MUNICIPAL OR COUNTY ELECTION

18 SUBCHAPTER F. LIMITATIONS ON JOINT LIABILITY

19 Sec. 477.0251. LIMITATION AMOUNTS

20 CHAPTER 477. OLYMPIC GAMES TRUST FUND

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 477.0001. DEFINITIONS. In this chapter:

23 (1) "Endorsing county" means a county that:

24 (A) contains all or part of a municipality  
25 described by Section 477.0002; or

26 (B) is adjacent to a county described by

27 Paragraph (A).

1           (2) "Endorsing municipality" means a municipality  
2 that authorizes a bid by a local organizing committee for selection  
3 of the municipality as the site of the games.

4           (3) "Games" means the Olympic Games.

5           (4) "Site selection organization" means:

6                 (A) the International Olympic Committee; or

7                 (B) the United States Olympic Committee.

8           (5) "Trust fund" means the Olympic Games trust fund  
9 established by this chapter. (V.A.C.S. Art. 5190.14, Secs. 4(a)(3)  
10 (part), 5(a)(1), (2), (3) (part), (4); New.)

11           Sec. 477.0002. ELIGIBILITY AS ENDORSING MUNICIPALITY. Only  
12 a municipality with a population of 850,000 or more is eligible as  
13 an endorsing municipality under this chapter. (V.A.C.S. Art.  
14 5190.14, Secs. 4(a)(3) (part), 5(a)(3) (part).)

15           SUBCHAPTER B. STATE ACTIONS RELATING TO GAMES

16           Sec. 477.0051. DETERMINATION OF INCREMENTAL INCREASE IN  
17 CERTAIN TAX RECEIPTS. (a) After a site selection organization  
18 selects a site for the games in this state in accordance with an  
19 application by a local organizing committee, the office shall  
20 determine for each subsequent calendar quarter the incremental  
21 increases in the following tax receipts that the office determines  
22 are directly attributable to the preparation for and presentation  
23 of the games and related events:

24                 (1) the receipts to this state from the taxes imposed  
25 under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5,  
26 Alcoholic Beverage Code, in the market areas designated under  
27 Section 477.0053;

1           (2) the receipts collected by this state for each  
2 endorsing municipality from the sales and use tax imposed by the  
3 municipality under Section 321.101(a), Tax Code, and the mixed  
4 beverage tax revenue to be received by the municipality under  
5 Section 183.051(b), Tax Code;

6           (3) the receipts collected by this state for each  
7 endorsing county from the sales and use tax imposed by the county  
8 under Section 323.101(a), Tax Code, and the mixed beverage tax  
9 revenue received by the county under Section 183.051(b), Tax Code;

10           (4) the receipts collected by each endorsing  
11 municipality from the hotel occupancy tax imposed under Chapter  
12 351, Tax Code; and

13           (5) the receipts collected by each endorsing county  
14 from the hotel occupancy tax imposed under Chapter 352, Tax Code.

15           (b) The office shall make the determination required by  
16 Subsection (a) in accordance with procedures the office develops.  
17 (V.A.C.S. Art. 5190.14, Sec. 5(b) (part).)

18           Sec. 477.0052. TIME FOR DETERMINATION. The office shall  
19 determine the incremental increase in tax receipts under Section  
20 477.0051 after the first occurrence of a measurable economic impact  
21 in this state resulting from the preparation for the games, as  
22 determined by the office, but not later than one year before the  
23 scheduled opening event of the games. (V.A.C.S. Art. 5190.14, Sec.  
24 5(b) (part).)

25           Sec. 477.0053. DESIGNATION OF MARKET AREA. (a) For  
26 purposes of Section 477.0051(a)(1), the office shall designate as a  
27 market area for the games each area in which the office determines

1 there is a reasonable likelihood of measurable economic impact  
2 directly attributable to the preparation for and presentation of  
3 the games and related events. The office shall include areas likely  
4 to provide venues, accommodations, and services in connection with  
5 the games based on the proposal the local organizing committee  
6 provides under Section 475.0052.

7 (b) The office shall determine the geographic boundaries of  
8 each market area.

9 (c) Each endorsing municipality or endorsing county  
10 selected as the site for the games must be included in a market area  
11 for the games. (V.A.C.S. Art. 5190.14, Sec. 5(c).)

12 Sec. 477.0054. ESTIMATE OF TAX REVENUE CREDITED TO TRUST  
13 FUND. (a) Before August 31 of the year that is 12 years before the  
14 year the games would be held in this state, or as soon as  
15 practicable after that date, the office shall provide an estimate  
16 of the total amount of municipal, county, and state tax revenue that  
17 would be transferred or deposited to the trust fund if the games  
18 were held in this state at a site selected in accordance with an  
19 application by a local organizing committee.

20 (b) The office shall provide the estimate on request to a  
21 local organizing committee.

22 (c) A local organizing committee may submit the office's  
23 estimate to a site selection organization. (V.A.C.S. Art. 5190.14,  
24 Sec. 5(i).)

25 SUBCHAPTER C. TRUST FUND ESTABLISHMENT, CONTRIBUTION, AND  
26 LIMITATION

27 Sec. 477.0101. OLYMPIC GAMES TRUST FUND. The Olympic Games

1 trust fund is established outside the treasury. The trust fund is  
2 held in trust by the comptroller for the administration of this  
3 subtitle. (V.A.C.S. Art. 5190.14, Sec. 5(f) (part).)

4 Sec. 477.0102. DEPOSIT OF MUNICIPAL AND COUNTY TAX REVENUE.

5 (a) Subject to Section 477.0104, each endorsing municipality or  
6 endorsing county shall remit to the comptroller and the  
7 comptroller, at the direction of the office, quarterly shall  
8 deposit to the trust fund the amount of the municipality's or  
9 county's hotel occupancy tax revenue determined under Section  
10 477.0051(a)(4) or (5), as applicable.

11 (b) To guarantee the joint obligations of this state and an  
12 endorsing municipality or endorsing county under a games support  
13 contract and this subtitle, subject to Section 477.0203, the  
14 comptroller, at the direction of the office, shall retain the  
15 amount of sales and use tax revenue and mixed beverage tax revenue  
16 determined under Section 477.0051(a)(2) or (3) from the amounts  
17 otherwise required to be sent to the municipality under Section  
18 183.051(b) or 321.502, Tax Code, or to the county under Section  
19 183.051(b) or 323.502, Tax Code. Subject to Sections 477.0104 and  
20 477.0203, the comptroller, at the direction of the office, shall  
21 deposit the retained tax revenue to the trust fund for the same  
22 calendar quarter as under Subsection (a).

23 (c) The comptroller shall begin retaining municipal and  
24 county sales and use tax revenue and mixed beverage tax revenue with  
25 the first distribution of that tax revenue that occurs after the  
26 date the office makes the determination under Section  
27 477.0051(a)(2) or (3).

1 (d) The comptroller shall discontinue retaining municipal  
2 and county sales and use tax revenue and mixed beverage tax revenue  
3 on the earlier of:

4 (1) the end of the third calendar month following the  
5 month in which the closing event of the games occurs; or

6 (2) the date the amount of municipal and county sales  
7 and use tax revenue and mixed beverage tax revenue in the trust fund  
8 equals 14 percent of the maximum amount of municipal, county, and  
9 state tax revenue that may be transferred or deposited to the trust  
10 fund under Section 477.0104. (V.A.C.S. Art. 5190.14, Secs. 5(d),  
11 (f) (part).)

12 Sec. 477.0103. STATE TAX REVENUE. (a) At the time the  
13 comptroller deposits to the trust fund the municipal and county tax  
14 revenue under Section 477.0102(b), the comptroller shall transfer  
15 to the trust fund the state tax revenue determined under Section  
16 477.0051(a)(1) for the quarter.

17 (b) The comptroller shall discontinue transferring the  
18 amount of state tax revenue determined under Section 477.0051(a)(1)  
19 on the earlier of:

20 (1) the end of the third calendar month following the  
21 month in which the closing event of the games occurs; or

22 (2) the date the amount of state revenue in the trust  
23 fund equals 86 percent of the maximum amount of municipal, county,  
24 and state tax revenue that may be transferred or deposited to the  
25 trust fund under Section 477.0104. (V.A.C.S. Art. 5190.14, Sec.  
26 5(f) (part).)

27 Sec. 477.0104. LIMITATION ON TRANSFERS AND DEPOSITS TO

1 TRUST FUND. The total amount of municipal, county, and state tax  
2 revenue transferred or deposited to the trust fund may not exceed  
3 \$100 million. (V.A.C.S. Art. 5190.14, Sec. 5(m) (part).)

4 SUBCHAPTER D. DISBURSEMENTS FROM TRUST FUND

5 Sec. 477.0151. DISBURSEMENT WITHOUT APPROPRIATION. Money  
6 in the trust fund may be spent by the office without appropriation  
7 only as provided by this subtitle. (V.A.C.S. Art. 5190.14, Sec.  
8 5(f) (part).)

9 Sec. 477.0152. DISBURSEMENT FROM TRUST FUND. (a) The  
10 office may make a disbursement from the trust fund only if the  
11 office certifies that the disbursement is for a purpose for which  
12 this state and each endorsing municipality and endorsing county are  
13 jointly obligated under a games support contract or another  
14 agreement providing assurances from the office or an endorsing  
15 municipality or endorsing county to a site selection organization.

16 (b) On a certification described by Subsection (a), the  
17 office shall satisfy the obligation proportionately from the state  
18 and municipal or county revenue in the trust fund. (V.A.C.S. Art.  
19 5190.14, Secs. 5(j) (part), (k).)

20 Sec. 477.0153. ALLOWABLE EXPENSES. The office may use  
21 money in the trust fund only to fulfill joint obligations of this  
22 state and each endorsing municipality and endorsing county to a  
23 site selection organization under a games support contract or  
24 another agreement providing assurances from the office or the  
25 municipality or county to a site selection organization. (V.A.C.S.  
26 Art. 5190.14, Sec. 5(g).)

27 Sec. 477.0154. PROHIBITED DISBURSEMENT. The office may not

1 make a disbursement from the trust fund that the office determines  
2 would be used to solicit the relocation of a professional sports  
3 franchise located in this state. (V.A.C.S. Art. 5190.14, Sec. 5(j)  
4 (part).)

5 Sec. 477.0155. TRANSFER AND REMITTANCE OF REMAINING TRUST  
6 FUND MONEY. (a) Two years after the closing event of the games, the  
7 office shall transfer to the general revenue fund the amount of  
8 state revenue remaining in the trust fund plus any interest earned  
9 on that state revenue.

10 (b) The office shall remit to each endorsing entity in  
11 proportion to the amount contributed by the entity any money  
12 remaining in the trust fund after the required amount is  
13 transferred under Subsection (a). (V.A.C.S. Art. 5190.14, Sec.  
14 5(1).)

15 SUBCHAPTER E. LOCAL POWERS AND DUTIES RELATING TO GAMES

16 Sec. 477.0201. REQUIRED INFORMATION. (a) A local  
17 organizing committee shall provide information required by the  
18 office to fulfill the office's duties under this subtitle,  
19 including:

20 (1) annual audited statements of any committee  
21 financial records required by a site selection organization; and

22 (2) data obtained by the committee relating to:

23 (A) attendance at the games; and

24 (B) the economic impact of the games.

25 (b) A local organizing committee must provide any annual  
26 audited financial statement required by the office not later than  
27 the end of the fourth month after the last day of the period covered

1 by the financial statement. (V.A.C.S. Art. 5190.14, Sec. 5(h).)

2           Sec. 477.0202. PLEDGE OF SURCHARGES TO GUARANTEE  
3 OBLIGATIONS. An endorsing municipality or endorsing county may  
4 guarantee its obligations under a games support contract and this  
5 subtitle by pledging, in addition to sales and use tax revenue,  
6 mixed beverage tax revenue, and hotel occupancy tax revenue  
7 retained under Section 477.0102, surcharges from user fees charged  
8 in connection with the presentation of the games, including parking  
9 or ticket fees. (V.A.C.S. Art. 5190.14, Sec. 5(e).)

10           Sec. 477.0203. MUNICIPAL OR COUNTY ELECTION. (a) An  
11 endorsing municipality or endorsing county must hold an election in  
12 the municipality or county to determine whether the municipality or  
13 county may contribute a portion of its sales and use taxes to the  
14 trust fund under this chapter. The election must be held on a  
15 uniform election date before the date a site selection organization  
16 requires the endorsing municipality or endorsing county and the  
17 state to enter into a joinder undertaking relating to the  
18 applicable games.

19           (b) If an endorsing municipality or endorsing county is  
20 required to hold an election under this section and the  
21 contribution of a portion of the municipality's or county's sales  
22 and use taxes to the trust fund under this chapter is not approved  
23 by a majority of the voters voting in the election:

24           (1) the comptroller may not establish the trust fund  
25 under this chapter, may not retain the municipality's or county's  
26 tax revenue under Section 477.0102 from amounts otherwise required  
27 to be sent to that municipality or county, and may not transfer any

1 state tax revenue into the trust fund;

2 (2) the office is not required to determine the  
3 incremental increase in municipal, county, or state tax revenue  
4 under Section 477.0051; and

5 (3) the office may not enter into a games support  
6 contract relating to the games for which the municipality or county  
7 has authorized a bid on its behalf.

8 (c) Notwithstanding any other provisions of this subtitle,  
9 an endorsing municipality or endorsing county is not required to  
10 hold an election to contribute its mixed beverage tax revenue or its  
11 hotel occupancy tax revenue to the trust fund under this chapter.  
12 (V.A.C.S. Art. 5190.14, Sec. 6.)

13 SUBCHAPTER F. LIMITATIONS ON JOINT LIABILITY

14 Sec. 477.0251. LIMITATION AMOUNTS. The joint liability of  
15 this state and an endorsing municipality or endorsing county under  
16 a joinder agreement and any other games support contracts entered  
17 into under this subtitle may not exceed the lesser of:

18 (1) \$100 million; or

19 (2) the total amount of revenue transferred or  
20 deposited to the trust fund and interest earned on the trust fund.  
21 (V.A.C.S. Art. 5190.14, Sec. 5(m) (part).)

22 CHAPTER 478. MAJOR EVENTS REIMBURSEMENT PROGRAM

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 478.0001. DEFINITIONS

25 Sec. 478.0002. RULES

26 Sec. 478.0003. CONSTRUCTION OF CHAPTER

- 1                                   SUBCHAPTER B. ELIGIBILITY
- 2   Sec. 478.0051.   EVENTS ELIGIBLE FOR FUNDING
- 3   Sec. 478.0052.   SINGLE EVENT CLASSIFICATION FOR
- 4                                   ELIGIBILITY PURPOSES
- 5   Sec. 478.0053.   EXEMPTION FROM CERTAIN ELIGIBILITY
- 6                                   REQUIREMENT FOR CERTAIN LARGE VENUES
- 7                                   SUBCHAPTER C. STATE ACTIONS RELATING TO EVENTS
- 8   Sec. 478.0101.   PREREQUISITES FOR OFFICE ACTION
- 9   Sec. 478.0102.   DETERMINATION OF INCREMENTAL INCREASE
- 10                                  IN CERTAIN TAX RECEIPTS
- 11   Sec. 478.0103.   TIME FOR DETERMINATION REQUEST
- 12   Sec. 478.0104.   TIME FOR DETERMINATION
- 13   Sec. 478.0105.   DESIGNATION OF MARKET AREA
- 14   Sec. 478.0106.   ESTIMATE OF TAX REVENUE CREDITED TO
- 15                                  FUND
- 16   Sec. 478.0107.   ECONOMIC IMPACT STUDY
- 17   Sec. 478.0108.   DISTRIBUTION AND PUBLICATION OF PLAN TO
- 18                                  PREVENT TRAFFICKING OF PERSONS IN
- 19                                  CONNECTION WITH EVENT
- 20                                  SUBCHAPTER D. FUND ESTABLISHMENT AND CONTRIBUTIONS
- 21   Sec. 478.0151.   MAJOR EVENTS REIMBURSEMENT PROGRAM FUND
- 22   Sec. 478.0152.   DEPOSIT OF MUNICIPAL AND COUNTY TAX
- 23                                  REVENUE
- 24   Sec. 478.0153.   OTHER LOCAL MONEY
- 25   Sec. 478.0154.   SURCHARGES AND USER FEES
- 26   Sec. 478.0155.   STATE TAX REVENUE

1 SUBCHAPTER E. DISBURSEMENTS FROM FUND

2 Sec. 478.0201. DISBURSEMENT WITHOUT APPROPRIATION

3 Sec. 478.0202. DISBURSEMENT FROM FUND

4 Sec. 478.0203. REDUCTION OF DISBURSEMENT AMOUNT

5 Sec. 478.0204. ALLOWABLE EXPENSES

6 Sec. 478.0205. LIMITATION ON CERTAIN DISBURSEMENTS

7 Sec. 478.0206. PROHIBITED DISBURSEMENT

8 Sec. 478.0207. REMITTANCE OF REMAINING FUND MONEY

9 SUBCHAPTER F. LOCAL POWERS AND DUTIES RELATING TO EVENTS

10 Sec. 478.0251. REQUIRED INFORMATION

11 Sec. 478.0252. ISSUANCE OF NOTES

12 Sec. 478.0253. PLEDGE OF SURCHARGES TO GUARANTEE

13 OBLIGATIONS

14 CHAPTER 478. MAJOR EVENTS REIMBURSEMENT PROGRAM

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 478.0001. DEFINITIONS. In this chapter:

17 (1) "Endorsing county" means:

18 (A) a county that contains a site selected by a  
19 site selection organization for an event; or

20 (B) a county that:

21 (i) does not contain a site selected by a  
22 site selection organization for an event;

23 (ii) is included in the market area for the  
24 event as designated by the office; and

25 (iii) is a party to an event support  
26 contract.

27 (2) "Endorsing municipality" means:

1 (A) a municipality that contains a site selected  
2 by a site selection organization for an event; or

3 (B) a municipality that:

4 (i) does not contain a site selected by a  
5 site selection organization for an event;

6 (ii) is included in the market area for the  
7 event as designated by the office; and

8 (iii) is a party to an event support  
9 contract.

10 (3) "Event" means any of the following and includes  
11 any activity related to or associated with the following:

12 (A) the Academy of Country Music Awards;

13 (B) the Amateur Athletic Union Junior Olympic  
14 Games;

15 (C) the Breeders' Cup World Championships;

16 (D) a game of the College Football Playoff or its  
17 successor;

18 (E) an Elite Rodeo Association World  
19 Championship;

20 (F) a Formula One automobile race;

21 (G) the largest event held each year at a sports  
22 entertainment venue in this state with a permanent seating  
23 capacity, including grandstand and premium seating, of at least  
24 125,000;

25 (H) the Major League Baseball All-Star Game;

26 (I) the Major League Soccer All-Star Game or the  
27 Major League Soccer Cup;

- 1 (J) a mixed martial arts championship;
- 2 (K) the Moto Grand Prix of the United States;
- 3 (L) the National Association for Stock Car Auto  
4 Racing (NASCAR):
- 5 (i) All-Star Race; or
- 6 (ii) season-ending Championship Race;
- 7 (M) the National Basketball Association All-Star  
8 Game;
- 9 (N) a National Collegiate Athletic Association  
10 Final Four tournament game;
- 11 (O) the National Collegiate Athletic Association  
12 men's or women's lacrosse championships;
- 13 (P) a national collegiate championship of an  
14 amateur sport sanctioned by the national governing body of the  
15 sport that is recognized by the United States Olympic Committee;
- 16 (Q) the National Cutting Horse Association  
17 Triple Crown;
- 18 (R) the National Hockey League All-Star Game;
- 19 (S) a national political convention of the  
20 Republican National Committee or the Democratic National  
21 Committee;
- 22 (T) an Olympic activity, including a Junior or  
23 Senior activity, training program, or feeder program sanctioned by  
24 the United States Olympic Committee's Community Olympic  
25 Development Program;
- 26 (U) a presidential general election debate;
- 27 (V) the Professional Rodeo Cowboys Association

- 1 National Finals Rodeo;
- 2 (W) a Super Bowl;
- 3 (X) the United States Open Championship;
- 4 (Y) a World Cup soccer game or the World Cup  
5 soccer tournament;
- 6 (Z) the World Games; or
- 7 (AA) the X Games.
- 8 (4) "Event support contract" means a joinder  
9 undertaking, joinder agreement, or similar contract executed by a  
10 site selection organization and a local organizing committee, an  
11 endorsing municipality, or an endorsing county.
- 12 (5) "Fund" means the major events reimbursement  
13 program fund.
- 14 (6) "Program" means the major events reimbursement  
15 program.
- 16 (7) "Site selection organization" means:
- 17 (A) the Academy of Country Music;
- 18 (B) the Amateur Athletic Union;
- 19 (C) the College Football Playoff Administration,  
20 LLC, or its successor;
- 21 (D) the Commission on Presidential Debates;
- 22 (E) the Democratic National Committee;
- 23 (F) Dorna Sports;
- 24 (G) the Elite Rodeo Association;
- 25 (H) ESPN or an affiliate;
- 26 (I) the Federation Internationale de Football  
27 Association (FIFA);

- 1 (J) the International World Games Association;
- 2 (K) Major League Baseball;
- 3 (L) Major League Soccer;
- 4 (M) the National Association for Stock Car Auto
- 5 Racing (NASCAR);
- 6 (N) the National Basketball Association;
- 7 (O) the National Collegiate Athletic
- 8 Association;
- 9 (P) the National Cutting Horse Association;
- 10 (Q) the National Football League;
- 11 (R) the National Hockey League;
- 12 (S) the Professional Rodeo Cowboys Association;
- 13 (T) the Republican National Committee;
- 14 (U) the Ultimate Fighting Championship;
- 15 (V) the United States Golf Association;
- 16 (W) the United States Olympic Committee; or
- 17 (X) the national governing body of a sport that
- 18 is recognized by:

- 19 (i) the Federation Internationale de
- 20 l'Automobile;
- 21 (ii) Formula One Management Limited;
- 22 (iii) the National Thoroughbred Racing
- 23 Association; or
- 24 (iv) the United States Olympic Committee.

25 (V.A.C.S. Art. 5190.14, Sec. 5A(a); New.)

26 Sec. 478.0002. RULES. The office may adopt rules necessary

27 to implement this chapter. (V.A.C.S. Art. 5190.14, Sec. 5A(v).)



1           (4) the incremental increase in tax receipts  
2 determined under Section 478.0102 is at least \$1 million; and

3           (5) not later than the 30th day before the first day of  
4 the event, a site selection organization submits a plan to prevent  
5 the trafficking of persons in connection with the event to:

6                   (A) the office of the attorney general; and

7                   (B) the chief of the Texas Division of Emergency  
8 Management. (V.A.C.S. Art. 5190.14, Sec. 5A(a-1) (part).)

9           Sec. 478.0052. SINGLE EVENT CLASSIFICATION FOR ELIGIBILITY  
10 PURPOSES. For purposes of Section 478.0051, each presidential  
11 general election debate in a series of presidential debates before  
12 a general election is considered a separate, single event.  
13 (V.A.C.S. Art. 5190.14, Sec. 5A(a-3).)

14           Sec. 478.0053. EXEMPTION FROM CERTAIN ELIGIBILITY  
15 REQUIREMENT FOR CERTAIN LARGE VENUES. Section 478.0051(b)(1) does  
16 not apply to an event described by Section 478.0001(3)(G). If an  
17 endorsing municipality or endorsing county requests the office to  
18 make a determination under Section 478.0102 for an event described  
19 by Section 478.0001(3)(G), the remaining provisions of this chapter  
20 apply to that event as if the event satisfied the eligibility  
21 requirements under Section 478.0051(b)(1). (V.A.C.S. Art.  
22 5190.14, Sec. 5A(a-2).)

23           SUBCHAPTER C. STATE ACTIONS RELATING TO EVENTS

24           Sec. 478.0101. PREREQUISITES FOR OFFICE ACTION. The office  
25 may not undertake any duty imposed by this chapter unless:

26                   (1) the municipality or county in which an event will  
27 be located submits a request;

1           (2) the event meets the requirements for funding under  
2 Section 478.0051 and all other funding requirements under this  
3 chapter; and

4           (3) the request is accompanied by documentation from a  
5 site selection organization selecting the site for the event.  
6 (V.A.C.S. Art. 5190.14, Sec. 5A(p).)

7           Sec. 478.0102. DETERMINATION OF INCREMENTAL INCREASE IN  
8 CERTAIN TAX RECEIPTS. (a) After a site selection organization  
9 selects a site for an event in this state in accordance with an  
10 application by a local organizing committee, endorsing  
11 municipality, or endorsing county and on request of a local  
12 organizing committee, endorsing municipality, or endorsing county,  
13 the office shall determine the incremental increases in the  
14 following tax receipts that the office determines are directly  
15 attributable to the preparation for and presentation of the event  
16 for a one-year period that begins two months before the date on  
17 which the event will begin:

18           (1) the receipts to this state from taxes imposed  
19 under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5,  
20 Alcoholic Beverage Code, in the market areas designated under  
21 Section 478.0105;

22           (2) the receipts collected by this state for each  
23 endorsing municipality in the market area from the sales and use tax  
24 imposed by each endorsing municipality under Section 321.101(a),  
25 Tax Code, and the mixed beverage tax revenue to be received by each  
26 endorsing municipality under Section 183.051(b), Tax Code;

27           (3) the receipts collected by this state for each

1 endorsing county in the market area from the sales and use tax  
2 imposed by each endorsing county under Section 323.101(a), Tax  
3 Code, and the mixed beverage tax revenue to be received by each  
4 endorsing county under Section 183.051(b), Tax Code;

5 (4) the receipts collected by each endorsing  
6 municipality in the market area from the hotel occupancy tax  
7 imposed under Chapter 351, Tax Code; and

8 (5) the receipts collected by each endorsing county in  
9 the market area from the hotel occupancy tax imposed under Chapter  
10 352, Tax Code.

11 (b) The office shall make the determination required by  
12 Subsection (a) in accordance with procedures the office develops  
13 and shall base that determination on information submitted by a  
14 local organizing committee, endorsing municipality, or endorsing  
15 county.

16 (c) For an event scheduled to be held each year for a period  
17 of years under an event contract or event support contract, the  
18 office shall calculate the incremental increase in the tax receipts  
19 specified by Subsection (a) as if the event did not occur in the  
20 prior year for purposes of Section 478.0051(b)(4). (V.A.C.S. Art.  
21 5190.14, Secs. 5A(a-1) (part), (b), (b-1) (part).)

22 Sec. 478.0103. TIME FOR DETERMINATION REQUEST. A request  
23 for a determination of the incremental increase in tax receipts  
24 under Section 478.0102 must be submitted to the office not earlier  
25 than one year and not later than the 45th day before the beginning  
26 date of the event. (V.A.C.S. Art. 5190.14, Sec. 5A(b-1) (part).)

27 Sec. 478.0104. TIME FOR DETERMINATION. The office shall

1 determine the incremental increase in tax receipts under Section  
2 478.0102 not later than the 30th day after the date the office  
3 receives the request for that determination and related  
4 information. (V.A.C.S. Art. 5190.14, Sec. 5A(b-1) (part).)

5       Sec. 478.0105. DESIGNATION OF MARKET AREA. (a) For  
6 purposes of Section 478.0102(a)(1), the office shall designate as a  
7 market area for an event each area in which the office determines  
8 there is a reasonable likelihood of measurable economic impact  
9 directly attributable to the preparation for and presentation of  
10 the event. The office shall include areas likely to provide venues,  
11 accommodations, and services in connection with the event based on  
12 the proposal the local organizing committee provides to the office.

13       (b) The office shall determine the geographic boundaries of  
14 each market area.

15       (c) An endorsing municipality or endorsing county selected  
16 as the site for an event must be included in a market area for the  
17 event. (V.A.C.S. Art. 5190.14, Sec. 5A(c).)

18       Sec. 478.0106. ESTIMATE OF TAX REVENUE CREDITED TO FUND.

19 (a) Not later than the 30th day after the date a local organizing  
20 committee, endorsing municipality, or endorsing county submits a  
21 request for a determination of the incremental increase in tax  
22 receipts under Section 478.0102, the office shall provide an  
23 estimate of the total amount of tax revenue that would be deposited  
24 to the fund under this chapter in connection with that event if the  
25 event were held in this state at a site selected in accordance with  
26 an application by a local organizing committee, endorsing  
27 municipality, or endorsing county.

1 (b) A local organizing committee, endorsing municipality,  
2 or endorsing county may submit the office's estimate to a site  
3 selection organization. (V.A.C.S. Art. 5190.14, Sec. 5A(j).)

4 Sec. 478.0107. ECONOMIC IMPACT STUDY. (a) Not later than  
5 the 10th month after the last day of an event eligible for  
6 disbursements from the fund, using existing resources, the office  
7 shall complete a study in the market area of the event on the  
8 measurable economic impact directly attributable to the  
9 preparation for and presentation of the event.

10 (b) The office shall post on the office's Internet website:

11 (1) the results of the study conducted under  
12 Subsection (a), including any source documentation or other  
13 information on which the office relied for the study;

14 (2) the incremental increase in tax receipts for the  
15 event determined under Section 478.0102 and any source  
16 documentation or information described by Section 478.0251 on which  
17 the office relied to determine that increase;

18 (3) the documentation described by Section  
19 478.0101(3); and

20 (4) documentation verifying that:

21 (A) a request submitted under Section 478.0101 is  
22 complete and certified as complete by the office;

23 (B) the office considered the information  
24 submitted by a local organizing committee, endorsing municipality,  
25 or endorsing county to determine the incremental increase in tax  
26 receipts under Section 478.0102 as required by Section 478.0102(b);  
27 and

1 (C) each deadline established under this chapter  
2 was met. (V.A.C.S. Art. 5190.14, Sec. 5A(w).)

3 Sec. 478.0108. DISTRIBUTION AND PUBLICATION OF PLAN TO  
4 PREVENT TRAFFICKING OF PERSONS IN CONNECTION WITH EVENT. The  
5 office of the attorney general may:

6 (1) distribute the plan required by Section  
7 478.0051(b)(5) to appropriate law enforcement agencies and the  
8 office of the governor; and

9 (2) publish the plan on the Internet website of the  
10 office of the attorney general. (V.A.C.S. Art. 5190.14, Sec.  
11 5A(a-4).)

12 SUBCHAPTER D. FUND ESTABLISHMENT AND CONTRIBUTIONS

13 Sec. 478.0151. MAJOR EVENTS REIMBURSEMENT PROGRAM FUND.  
14 The major events reimbursement program fund is established outside  
15 the state treasury and is held in trust by the comptroller for  
16 administration of this subtitle. (V.A.C.S. Art. 5190.14, Sec. 5A(d)  
17 (part).)

18 Sec. 478.0152. DEPOSIT OF MUNICIPAL AND COUNTY TAX REVENUE.

19 (a) Each endorsing municipality or endorsing county participating  
20 in the program shall remit to the comptroller and the comptroller  
21 shall deposit into a trust fund created by the comptroller, at the  
22 direction of the office, and designated as the major events  
23 reimbursement program fund the amount of the municipality's or  
24 county's hotel occupancy tax revenue determined under Section  
25 478.0102(a)(4) or (5), less any amount of the revenue that the  
26 municipality or county determines is necessary to meet the  
27 obligations of the municipality or county.

1           (b) The comptroller, at the direction of the office, shall  
2 retain the amount of sales and use tax revenue and mixed beverage  
3 tax revenue determined under Section 478.0102(a)(2) or (3) from the  
4 amounts otherwise required to be sent to the municipality under  
5 Sections 321.502 and 183.051(b), Tax Code, or to the county under  
6 Sections 323.502 and 183.051(b), Tax Code, less any amount of the  
7 revenue that the municipality or county determines is necessary to  
8 meet the obligations of the municipality or county, and shall  
9 deposit the retained tax revenue to the fund.

10           (c) The comptroller shall begin retaining and depositing  
11 the municipal and county tax revenue:

12                 (1) with the first distribution of that tax revenue  
13 that occurs after the first day of the one-year period described by  
14 Section 478.0102(a); or

15                 (2) at a time the office otherwise determines to be  
16 practicable.

17           (d) The comptroller shall discontinue retaining the  
18 municipal and county tax revenue when the amount of the applicable  
19 tax revenue determined under Section 478.0102(a)(2) or (3) has been  
20 retained. (V.A.C.S. Art. 5190.14, Sec. 5A(d) (part).)

21           Sec. 478.0153. OTHER LOCAL MONEY. (a) In lieu of the  
22 municipal and county tax revenues remitted or retained under  
23 Section 478.0152, an endorsing municipality or endorsing county may  
24 remit to the office for deposit to the fund other local money in an  
25 amount equal to the total amount of municipal and county tax revenue  
26 determined under Sections 478.0102(a)(2)-(5).

27           (b) An endorsing municipality or endorsing county must

1 remit the other local money not later than the 90th day after the  
2 last day of an event eligible for funding under the program.

3 (c) For purposes of Section 478.0155, the amount deposited  
4 under this section is considered remitted local revenue. (V.A.C.S.  
5 Art. 5190.14, Sec. 5A(d-1).)

6 Sec. 478.0154. SURCHARGES AND USER FEES. An endorsing  
7 municipality or endorsing county may collect and remit to the  
8 office surcharges and user fees attributable to an event for  
9 deposit to the fund. (V.A.C.S. Art. 5190.14, Sec. 5A(e) (part).)

10 Sec. 478.0155. STATE TAX REVENUE. (a) The comptroller, at  
11 the direction of the office, shall transfer to the fund a portion of  
12 the state tax revenue in an amount equal to the prevailing state  
13 sales tax rate multiplied by the amount of the local revenue  
14 retained or remitted under this chapter, including:

- 15 (1) local sales and use tax revenue;
- 16 (2) mixed beverage tax revenue;
- 17 (3) hotel occupancy tax revenue; and
- 18 (4) surcharge and user fee revenue.

19 (b) The amount transferred under Subsection (a) may not  
20 exceed the incremental increase in tax receipts determined under  
21 Section 478.0102(a)(1). (V.A.C.S. Art. 5190.14, Sec. 5A(f).)

22 SUBCHAPTER E. DISBURSEMENTS FROM FUND

23 Sec. 478.0201. DISBURSEMENT WITHOUT APPROPRIATION. Money  
24 in the fund may be disbursed by the office without appropriation  
25 only as provided by this chapter. (V.A.C.S. Art. 5190.14, Sec.  
26 5A(d) (part).)

27 Sec. 478.0202. DISBURSEMENT FROM FUND. (a) After approval

1 of each contributing endorsing municipality and endorsing county,  
2 the office may make a disbursement from the fund for a purpose for  
3 which a local organizing committee, an endorsing municipality, an  
4 endorsing county, or this state is obligated under a games support  
5 contract or event support contract.

6 (b) In considering whether to make a disbursement from the  
7 fund, the office may not consider a contingency clause in an event  
8 support contract as relieving a local organizing committee's,  
9 endorsing municipality's, or endorsing county's obligation to pay a  
10 cost under the contract.

11 (c) If the office makes a disbursement from the fund, the  
12 office shall satisfy the obligation proportionately from the local  
13 and state revenue in the fund. (V.A.C.S. Art. 5190.14, Secs. 5A(k)  
14 (part), (l).)

15 Sec. 478.0203. REDUCTION OF DISBURSEMENT AMOUNT. (a)  
16 After the conclusion of an event, the office shall compare  
17 information on the actual attendance figures provided under Section  
18 478.0251 with the estimated attendance numbers used to determine  
19 the incremental increase in tax receipts under Section 478.0102.  
20 If the actual attendance figures are significantly lower than the  
21 estimated attendance numbers, the office may reduce the amount of a  
22 disbursement from the fund for an endorsing entity:

23 (1) in proportion to the discrepancy between the  
24 actual and estimated attendance; and

25 (2) in proportion to the amount the entity contributed  
26 to the fund.

27 (b) The office by rule shall:

1           (1) define "significantly lower" for purposes of this  
2 section; and

3           (2) provide the manner in which the office may  
4 proportionately reduce a disbursement.

5           (c) This section does not affect the remittance under  
6 Section 478.0207 of any money remaining in the fund. (V.A.C.S. Art.  
7 5190.14, Sec. 5A(y).)

8           Sec. 478.0204. ALLOWABLE EXPENSES. (a) Money in the fund  
9 may be used to:

10           (1) pay the principal of and interest on notes issued  
11 under Section 478.0252; and

12           (2) fulfill obligations of an endorsing municipality,  
13 an endorsing county, or this state to a site selection organization  
14 under a games support contract or event support contract.

15           (b) Subject to Sections 478.0202 and 478.0205, the  
16 obligations described by Subsection (a)(2) may include the payment  
17 of:

18           (1) the costs relating to the preparations necessary  
19 or desirable for conducting the event; and

20           (2) the costs of conducting the event, including the  
21 costs of an improvement or renovation to an existing facility and  
22 the costs of the acquisition or construction of a new facility or  
23 other facility. (V.A.C.S. Art. 5190.14, Sec. 5A(h).)

24           Sec. 478.0205. LIMITATION ON CERTAIN DISBURSEMENTS. (a) A  
25 disbursement from the fund is limited to five percent of the cost of  
26 a structural improvement or a fixture if:

27           (1) an obligation is incurred under a games support

1 contract or event support contract to make the improvement or add  
2 the fixture to a site for an event; and

3 (2) the improvement or fixture is expected to derive  
4 most of its value in subsequent uses of the site for future events.

5 (b) The remainder of an obligation described by Subsection  
6 (a) is not eligible for a disbursement from the fund, unless the  
7 obligation is for an improvement or fixture for a publicly owned  
8 facility. (V.A.C.S. Art. 5190.14, Sec. 5A(k) (part).)

9 Sec. 478.0206. PROHIBITED DISBURSEMENT. The office may not  
10 make a disbursement from the fund that the office determines would  
11 be used to solicit the relocation of a professional sports  
12 franchise located in this state. (V.A.C.S. Art. 5190.14, Sec.  
13 5A(k) (part).)

14 Sec. 478.0207. REMITTANCE OF REMAINING FUND MONEY. On  
15 payment of all municipal, county, or state obligations under a  
16 games support contract or event support contract related to the  
17 location of an event in this state, the office shall remit to each  
18 endorsing entity, in proportion to the amount contributed by the  
19 entity, any money remaining in the fund. (V.A.C.S. Art. 5190.14,  
20 Sec. 5A(m).)

21 SUBCHAPTER F. LOCAL POWERS AND DUTIES RELATING TO EVENTS

22 Sec. 478.0251. REQUIRED INFORMATION. (a) A local  
23 organizing committee, endorsing municipality, or endorsing county  
24 shall provide information required by the office to fulfill the  
25 office's duties under this chapter, including:

26 (1) annual audited statements of any financial records  
27 required by a site selection organization; and

1           (2) data obtained by the local organizing committee,  
2 an endorsing municipality, or an endorsing county relating to:

3           (A) attendance at the event, including an  
4 estimate of the number of people expected to attend the event who  
5 are not residents of this state; and

6           (B) the economic impact of the event.

7           (b) A local organizing committee, endorsing municipality,  
8 or endorsing county must provide an annual audited financial  
9 statement required by the office not later than the end of the  
10 fourth month after the last day of the period covered by the  
11 financial statement.

12           (c) After the conclusion of an event and on the office's  
13 request, a local organizing committee, endorsing municipality, or  
14 endorsing county must provide information about the event, such as  
15 attendance figures, including an estimate of the number of people  
16 who attended the event who are not residents of this state,  
17 financial information, or other public information held by the  
18 committee, municipality, or county that the office considers  
19 necessary. (V.A.C.S. Art. 5190.14, Sec. 5A(i).)

20           Sec. 478.0252. ISSUANCE OF NOTES. (a) To meet its  
21 obligations under a games support contract or event support  
22 contract to improve, construct, renovate, or acquire facilities or  
23 to acquire equipment, an endorsing municipality by ordinance or an  
24 endorsing county by order may authorize the issuance of notes.

25           (b) An endorsing municipality or endorsing county may  
26 provide that the notes be paid from and secured by:

27           (1) amounts on deposit or amounts to be deposited to

1 the fund; or

2 (2) surcharges from user fees charged in connection  
3 with the event, including parking or ticket fees.

4 (c) A note issued must mature not later than the seventh  
5 anniversary of the date of issuance. (V.A.C.S. Art. 5190.14, Sec.  
6 5A(g).)

7 Sec. 478.0253. PLEDGE OF SURCHARGES TO GUARANTEE  
8 OBLIGATIONS. An endorsing municipality or endorsing county may  
9 guarantee its obligations under an event support contract and this  
10 chapter by pledging, in addition to the tax revenue deposited under  
11 Section 478.0152, surcharges from user fees charged in connection  
12 with the event, including parking or ticket fees. (V.A.C.S. Art.  
13 5190.14, Sec. 5A(e) (part).)

14 CHAPTER 479. MOTOR SPORTS RACING TRUST FUND

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 479.0001. DEFINITIONS

17 Sec. 479.0002. CONSTRUCTION OF CHAPTER

18 Sec. 479.0003. APPLICABILITY OF PROVISIONS RELATING TO

19 GAMES

20 SUBCHAPTER B. STATE ACTIONS RELATING TO MOTOR SPORTS RACING EVENTS

21 Sec. 479.0051. PREREQUISITES FOR OFFICE ACTION

22 Sec. 479.0052. DETERMINATION OF INCREMENTAL INCREASE

23 IN CERTAIN TAX RECEIPTS

24 Sec. 479.0053. TIME FOR DETERMINATION

25 Sec. 479.0054. DESIGNATION OF MARKET AREA

26 Sec. 479.0055. ESTIMATE OF TAX REVENUE CREDITED TO

27 TRUST FUND

1 SUBCHAPTER C. TRUST FUND ESTABLISHMENT AND CONTRIBUTIONS

2 Sec. 479.0101. MOTOR SPORTS RACING TRUST FUND

3 Sec. 479.0102. DEPOSIT OF MUNICIPAL AND COUNTY TAX

4 REVENUE

5 Sec. 479.0103. STATE TAX REVENUE

6 SUBCHAPTER D. DISBURSEMENTS FROM TRUST FUND

7 Sec. 479.0151. DISBURSEMENT WITHOUT APPROPRIATION

8 Sec. 479.0152. DISBURSEMENT FROM TRUST FUND

9 Sec. 479.0153. ALLOWABLE EXPENSES

10 Sec. 479.0154. PROHIBITED DISBURSEMENT

11 Sec. 479.0155. REMITTANCE OF REMAINING TRUST FUND

12 MONEY

13 SUBCHAPTER E. LOCAL POWERS AND DUTIES RELATING TO MOTOR SPORTS

14 RACING EVENTS

15 Sec. 479.0201. REQUIRED INFORMATION

16 Sec. 479.0202. ISSUANCE OF NOTES

17 Sec. 479.0203. PLEDGE OF SURCHARGES TO GUARANTEE

18 OBLIGATIONS

19 CHAPTER 479. MOTOR SPORTS RACING TRUST FUND

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 479.0001. DEFINITIONS. In this chapter:

22 (1) "Endorsing county" means a county that contains a  
23 site selected by a site selection organization for a motor sports  
24 racing event.

25 (2) "Endorsing municipality" means a municipality  
26 that contains a site selected by a site selection organization for a  
27 motor sports racing event.

1           (3) "Event support contract" means a joinder  
2 undertaking, joinder agreement, or similar contract executed by a  
3 site selection organization and an endorsing municipality or  
4 endorsing county.

5           (4) "Motor sports racing event" means a specific  
6 automobile racing event sanctioned by the Automobile Competition  
7 Committee for the United States (ACCUS) and held at a temporary  
8 event venue. The term includes an event or activity held,  
9 sponsored, or endorsed by the site selection organization in  
10 conjunction with the racing event.

11           (5) "Trust fund" means the motor sports racing trust  
12 fund established by this chapter. (V.A.C.S. Art. 5190.14, Sec.  
13 5B(a); New.)

14           Sec. 479.0002. CONSTRUCTION OF CHAPTER. This chapter may  
15 not be construed as creating or requiring a state guarantee of an  
16 obligation imposed on an endorsing municipality, an endorsing  
17 county, or this state under a motor sports racing event support  
18 contract or another agreement relating to hosting a motor sports  
19 racing event in this state. (V.A.C.S. Art. 5190.14, Sec. 5B(n).)

20           Sec. 479.0003. APPLICABILITY OF PROVISIONS RELATING TO  
21 GAMES. Any provision of this subtitle applicable to games as  
22 defined by Section 475.0001 also applies to a motor sports racing  
23 event. (V.A.C.S. Art. 5190.14, Sec. 5B(p).)

24 SUBCHAPTER B. STATE ACTIONS RELATING TO MOTOR SPORTS RACING EVENTS

25           Sec. 479.0051. PREREQUISITES FOR OFFICE ACTION. The office  
26 may not undertake any duty imposed by this chapter unless:

27           (1) the municipality and county in which a motor

1 sports racing event will be held submit a request; and

2 (2) the request is accompanied by documentation from a  
3 site selection organization selecting the site for the racing  
4 event. (V.A.C.S. Art. 5190.14, Sec. 5B(o).)

5 Sec. 479.0052. DETERMINATION OF INCREMENTAL INCREASE IN  
6 CERTAIN TAX RECEIPTS. (a) After a site selection organization  
7 selects a site for a motor sports racing event in this state in  
8 accordance with an application by a local organizing committee,  
9 endorsing municipality, or endorsing county, the office shall  
10 determine the incremental increases in the following tax receipts  
11 that the office determines are directly attributable to the  
12 preparation for and presentation of the racing event for the 30-day  
13 period that ends at the end of the day after the date on which the  
14 racing event will be held:

15 (1) the receipts to this state from taxes imposed  
16 under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5,  
17 Alcoholic Beverage Code, in the market areas designated under  
18 Section 479.0054;

19 (2) the receipts collected by this state for each  
20 endorsing municipality in the market area from the sales and use tax  
21 imposed by each endorsing municipality under Section 321.101(a),  
22 Tax Code, and the mixed beverage tax revenue to be received by each  
23 endorsing municipality under Section 183.051(b), Tax Code;

24 (3) the receipts collected by this state for each  
25 endorsing county in the market area from the sales and use tax  
26 imposed by each endorsing county under Section 323.101(a), Tax  
27 Code, and the mixed beverage tax revenue to be received by each

1 endorsing county under Section 183.051(b), Tax Code;

2 (4) the receipts collected by each endorsing  
3 municipality in the market area from the hotel occupancy tax  
4 imposed under Chapter 351, Tax Code; and

5 (5) the receipts collected by each endorsing county in  
6 the market area from the hotel occupancy tax imposed under Chapter  
7 352, Tax Code.

8 (b) The office shall make the determination required by  
9 Subsection (a) in accordance with procedures the office develops.  
10 (V.A.C.S. Art. 5190.14, Sec. 5B(b) (part).)

11 Sec. 479.0053. TIME FOR DETERMINATION. The office shall  
12 determine the incremental increase in tax receipts under Section  
13 479.0052 not later than three months before the date of the motor  
14 sports racing event. (V.A.C.S. Art. 5190.14, Sec. 5B(b) (part).)

15 Sec. 479.0054. DESIGNATION OF MARKET AREA. (a) For  
16 purposes of Section 479.0052(a)(1), the office shall designate as a  
17 market area for a motor sports racing event each area in which the  
18 office determines there is a reasonable likelihood of measurable  
19 economic impact directly attributable to the preparation for and  
20 presentation of the racing event. The office shall include areas  
21 likely to provide venues, accommodations, and services in  
22 connection with the racing event based on a proposal or other  
23 information a local organizing committee, endorsing municipality,  
24 or endorsing county provides to the office.

25 (b) The office shall determine the geographic boundaries of  
26 each market area.

27 (c) An endorsing municipality or endorsing county selected

1 as the site for the motor sports racing event must be included in a  
2 market area for the racing event. (V.A.C.S. Art. 5190.14, Sec.  
3 5B(c).)

4 Sec. 479.0055. ESTIMATE OF TAX REVENUE CREDITED TO TRUST  
5 FUND. (a) Not later than three months before the date of a motor  
6 sports racing event, the office shall provide an estimate of the  
7 total amount of tax revenue that would be transferred or deposited  
8 to the trust fund under this chapter in connection with that racing  
9 event if the racing event were held in this state at a site selected  
10 in accordance with an application by a local organizing committee,  
11 endorsing municipality, or endorsing county.

12 (b) The office shall provide the estimate on request to a  
13 local organizing committee, endorsing municipality, or endorsing  
14 county.

15 (c) A local organizing committee, endorsing municipality,  
16 or endorsing county may submit the office's estimate to a site  
17 selection organization. (V.A.C.S. Art. 5190.14, Sec. 5B(j).)

18 SUBCHAPTER C. TRUST FUND ESTABLISHMENT AND CONTRIBUTIONS

19 Sec. 479.0101. MOTOR SPORTS RACING TRUST FUND. The motor  
20 sports racing trust fund is established outside the state treasury  
21 and is held in trust by the comptroller for administration of this  
22 chapter. (V.A.C.S. Art. 5190.14, Sec. 5B(d) (part).)

23 Sec. 479.0102. DEPOSIT OF MUNICIPAL AND COUNTY TAX REVENUE.  
24 (a) Each endorsing municipality or endorsing county shall remit to  
25 the comptroller and the comptroller shall deposit into a trust fund  
26 created by the comptroller, at the direction of the office, and  
27 designated as the motor sports racing trust fund for the motor

1 sports racing event the amount of the municipality's or county's  
2 hotel occupancy tax revenue determined under Section  
3 479.0052(a)(4) or (5), less any amount of the revenue that the  
4 municipality or county determines is necessary to meet the  
5 obligations of the municipality or county.

6 (b) The comptroller, at the direction of the office, shall  
7 retain the amount of sales and use tax revenue and mixed beverage  
8 tax revenue determined under Section 479.0052(a)(2) or (3) from the  
9 amounts otherwise required to be sent to the municipality under  
10 Sections 321.502 and 183.051(b), Tax Code, or to the county under  
11 Sections 323.502 and 183.051(b), Tax Code, less any amount of the  
12 revenue that the municipality or county determines is necessary to  
13 meet the obligations of the municipality or county, and shall  
14 deposit the retained tax revenue to the trust fund.

15 (c) The comptroller shall begin retaining and depositing  
16 the municipal and county tax revenue with the first distribution of  
17 that tax revenue that occurs after the first day of the period  
18 described by Section 479.0052(a).

19 (d) The comptroller shall discontinue retaining the  
20 municipal and county tax revenue when the amount of the applicable  
21 tax revenue determined under Section 479.0052(a)(2) or (3) has been  
22 retained. (V.A.C.S. Art. 5190.14, Sec. 5B(d) (part).)

23 Sec. 479.0103. STATE TAX REVENUE. The comptroller, at the  
24 direction of the office, shall transfer to the trust fund a portion  
25 of the state tax revenue determined under Section 479.0052(a)(1) in  
26 an amount equal to 6.25 multiplied by the amount of the municipal  
27 and county sales and use tax revenue and mixed beverage tax revenue

1 retained and the hotel occupancy tax revenue remitted by an  
2 endorsing municipality or endorsing county under Section 479.0102.  
3 (V.A.C.S. Art. 5190.14, Sec. 5B(f).)

4 SUBCHAPTER D. DISBURSEMENTS FROM TRUST FUND

5 Sec. 479.0151. DISBURSEMENT WITHOUT APPROPRIATION. Money  
6 in the trust fund may be disbursed by the office without  
7 appropriation only as provided by this chapter. (V.A.C.S. Art.  
8 5190.14, Sec. 5B(d) (part).)

9 Sec. 479.0152. DISBURSEMENT FROM TRUST FUND. (a) After  
10 approval of each contributing endorsing municipality and endorsing  
11 county, the office may make a disbursement from the trust fund for a  
12 purpose for which an endorsing municipality, an endorsing county,  
13 or this state is obligated under a motor sports racing event support  
14 contract or event support contract.

15 (b) If the office makes a disbursement from the trust fund,  
16 the office shall satisfy the obligation proportionately from the  
17 municipal, county, and state revenue in the trust fund. (V.A.C.S.  
18 Art. 5190.14, Secs. 5B(k) (part), (l).)

19 Sec. 479.0153. ALLOWABLE EXPENSES. (a) Money in the trust  
20 fund may be used to:

21 (1) pay the principal of and interest on notes issued  
22 under Section 479.0202; and

23 (2) fulfill obligations of an endorsing municipality,  
24 an endorsing county, or this state to a site selection organization  
25 under a motor sports racing event support contract or event support  
26 contract.

27 (b) The obligations described by Subsection (a)(2) may

1 include the payment of:

2 (1) the costs relating to the preparations necessary  
3 or desirable for conducting the motor sports racing event; and

4 (2) the costs of conducting the racing event,  
5 including costs of a temporary improvement or temporary renovation  
6 to an existing facility specific to the racing event. (V.A.C.S.  
7 Art. 5190.14, Sec. 5B(h).)

8 Sec. 479.0154. PROHIBITED DISBURSEMENT. The office may not  
9 make a disbursement from the trust fund that the office determines  
10 would be used to solicit the relocation of a professional sports  
11 franchise located in this state. (V.A.C.S. Art. 5190.14, Sec.  
12 5B(k) (part).)

13 Sec. 479.0155. REMITTANCE OF REMAINING TRUST FUND MONEY.  
14 On payment of all municipal, county, or state obligations under a  
15 motor sports racing event support contract or event support  
16 contract related to the location of a motor sports racing event in  
17 this state, the office shall remit to each endorsing entity, in  
18 proportion to the amount contributed by the entity, any money  
19 remaining in the trust fund. (V.A.C.S. Art. 5190.14, Sec. 5B(m).)

20 SUBCHAPTER E. LOCAL POWERS AND DUTIES RELATING TO MOTOR SPORTS  
21 RACING EVENTS

22 Sec. 479.0201. REQUIRED INFORMATION. (a) A local  
23 organizing committee, endorsing municipality, or endorsing county  
24 shall provide information required by the office to fulfill the  
25 office's duties under this chapter, including:

26 (1) annual audited statements of any financial records  
27 required by a site selection organization; and

1           (2) data obtained by the local organizing committee,  
2 an endorsing municipality, or an endorsing county relating to:

3                   (A) attendance at the motor sports racing event;  
4 and

5                   (B) the economic impact of the racing event.

6           (b) A local organizing committee, endorsing municipality,  
7 or endorsing county must provide any annual audited financial  
8 statement required by the office not later than the end of the  
9 fourth month after the last day of the period covered by the  
10 financial statement. (V.A.C.S. Art. 5190.14, Sec. 5B(i).)

11           Sec. 479.0202. ISSUANCE OF NOTES. (a) To meet its  
12 obligations under a motor sports racing event support contract or  
13 event support contract to improve, renovate, or acquire facilities  
14 or to acquire equipment, an endorsing municipality by ordinance or  
15 an endorsing county by order may authorize the issuance of notes.

16           (b) An endorsing municipality or endorsing county may  
17 provide that the notes be paid from and secured by:

18                   (1) amounts on deposit or amounts to be transferred or  
19 deposited to the trust fund; or

20                   (2) surcharges from user fees charged in connection  
21 with the motor sports racing event, including parking or ticket  
22 fees.

23           (c) A note issued must mature not later than the seventh  
24 anniversary of the date of issuance. (V.A.C.S. Art. 5190.14, Sec.  
25 5B(g).)

26           Sec. 479.0203. PLEDGE OF SURCHARGES TO GUARANTEE  
27 OBLIGATIONS. An endorsing municipality or endorsing county may

1 guarantee its obligations under a motor sports racing event support  
2 contract and this chapter by pledging, in addition to the tax  
3 revenue deposited under Section 479.0102, surcharges from user fees  
4 charged in connection with the motor sports racing event, including  
5 parking or ticket fees. (V.A.C.S. Art. 5190.14, Sec. 5B(e).)

6 CHAPTER 480. EVENTS TRUST FUND

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 480.0001. DEFINITIONS

9 Sec. 480.0002. RULES

10 Sec. 480.0003. CONSTRUCTION OF CHAPTER

11 SUBCHAPTER B. ELIGIBILITY

12 Sec. 480.0051. EVENTS ELIGIBLE FOR FUNDING

13 Sec. 480.0052. LIMITATIONS ON CERTAIN FUNDING REQUESTS

14 SUBCHAPTER C. STATE ACTIONS RELATING TO EVENTS

15 Sec. 480.0101. PREREQUISITES FOR OFFICE ACTION

16 Sec. 480.0102. DETERMINATION OF INCREMENTAL INCREASE

17 IN CERTAIN TAX RECEIPTS

18 Sec. 480.0103. TIME FOR DETERMINATION

19 Sec. 480.0104. DESIGNATION OF MARKET AREA

20 Sec. 480.0105. ESTIMATE OF TAX REVENUE CREDITED TO

21 FUND

22 Sec. 480.0106. MODEL EVENT SUPPORT CONTRACT

23 SUBCHAPTER D. FUND ESTABLISHMENT AND CONTRIBUTIONS

24 Sec. 480.0151. EVENTS TRUST FUND

25 Sec. 480.0152. DEPOSIT OF MUNICIPAL AND COUNTY TAX

26 REVENUE

27 Sec. 480.0153. OTHER LOCAL MONEY

1 Sec. 480.0154. SURCHARGES AND USER FEES  
2 Sec. 480.0155. STATE TAX REVENUE  
3 SUBCHAPTER E. DISBURSEMENTS FROM FUND  
4 Sec. 480.0201. DISBURSEMENT WITHOUT APPROPRIATION  
5 Sec. 480.0202. DISBURSEMENT FROM FUND  
6 Sec. 480.0203. REDUCTION OF DISBURSEMENT AMOUNT  
7 Sec. 480.0204. ALLOWABLE EXPENSES  
8 Sec. 480.0205. LIMITATION ON CERTAIN DISBURSEMENTS  
9 Sec. 480.0206. PROHIBITED DISBURSEMENTS  
10 Sec. 480.0207. REMITTANCE OF REMAINING FUND MONEY  
11 SUBCHAPTER F. LOCAL POWERS AND DUTIES RELATING TO EVENTS  
12 Sec. 480.0251. REQUIRED INFORMATION  
13 Sec. 480.0252. ISSUANCE OF NOTES  
14 Sec. 480.0253. PLEDGE OF SURCHARGES TO GUARANTEE  
15 OBLIGATIONS  
16 CHAPTER 480. EVENTS TRUST FUND  
17 SUBCHAPTER A. GENERAL PROVISIONS  
18 Sec. 480.0001. DEFINITIONS. In this chapter:  
19 (1) "Endorsing county" means a county that contains a  
20 site selected by a site selection organization for an event.  
21 (2) "Endorsing municipality" means a municipality  
22 that contains a site selected by a site selection organization for  
23 an event.  
24 (3) "Event" means an event or related series of events  
25 to be held in this state for which a local organizing committee,  
26 endorsing municipality, or endorsing county seeks approval from a  
27 site selection organization to hold the event at a site in this

1 state. The term includes any activity related to or associated with  
2 the event.

3 (4) "Event support contract" means a joinder  
4 undertaking, a joinder agreement, or a similar contract executed by  
5 a site selection organization and a local organizing committee, an  
6 endorsing municipality, or an endorsing county.

7 (5) "Site selection organization" means an entity that  
8 conducts or considers conducting in this state an event eligible  
9 under Section 480.0051. (V.A.C.S. Art. 5190.14, Sec. 5C(a).)

10 Sec. 480.0002. RULES. The office may adopt rules necessary  
11 to implement this chapter. (V.A.C.S. Art. 5190.14, Sec. 5C(p).)

12 Sec. 480.0003. CONSTRUCTION OF CHAPTER. This chapter may  
13 not be construed as creating or requiring a state guarantee of an  
14 obligation imposed on an endorsing municipality, an endorsing  
15 county, or this state under an event support contract or another  
16 agreement relating to hosting an event in this state. (V.A.C.S.  
17 Art. 5190.14, Sec. 5C(n).)

18 SUBCHAPTER B. ELIGIBILITY

19 Sec. 480.0051. EVENTS ELIGIBLE FOR FUNDING. An event is  
20 eligible for funding under this chapter only if:

21 (1) a site selection organization, after considering  
22 through a highly competitive selection process one or more sites  
23 not in this state, selects a site in this state for the event to be  
24 held:

25 (A) one time; or

26 (B) if the event is scheduled under an event  
27 contract or event support contract to be held each year for a period

1 of years, one time in each year;

2 (2) a site selection organization selects a site in  
3 this state as:

4 (A) the sole site for the event; or

5 (B) the sole site for the event in a region  
6 composed of this state and one or more adjoining states; and

7 (3) the event is held not more than one time in any  
8 year in this state or an adjoining state. (V.A.C.S. Art. 5190.14,  
9 Sec. 5C(a-1).)

10 Sec. 480.0052. LIMITATIONS ON CERTAIN FUNDING REQUESTS.

11 (a) This section applies only to an event for which the office  
12 determines under Section 480.0102 that the total incremental  
13 increase in tax receipts is less than \$200,000.

14 (b) Subject to Subsection (c), an endorsing municipality or  
15 endorsing county may during any 12-month period submit requests for  
16 funding under this chapter for not more than 10 events to which this  
17 section applies.

18 (c) Not more than three of the events described by  
19 Subsection (b) may be nonsporting events. (V.A.C.S. Art. 5190.14,  
20 Sec. 5C(b-1).)

21 SUBCHAPTER C. STATE ACTIONS RELATING TO EVENTS

22 Sec. 480.0101. PREREQUISITES FOR OFFICE ACTION. The office  
23 may not undertake any duty imposed by this chapter unless:

24 (1) the municipality or county in which an event will  
25 be located submits a request; and

26 (2) the request is accompanied by documentation from a  
27 site selection organization selecting the site for the event.

1 (V.A.C.S. Art. 5190.14, Sec. 5C(o).)

2           Sec. 480.0102. DETERMINATION OF INCREMENTAL INCREASE IN  
3 CERTAIN TAX RECEIPTS. (a) After a site selection organization  
4 selects a site for an event in this state in accordance with an  
5 application by a local organizing committee, endorsing  
6 municipality, or endorsing county, the office shall determine the  
7 incremental increases in the following tax receipts that the office  
8 determines are directly attributable to the preparation for and  
9 presentation of the event for the 30-day period that ends at the end  
10 of the day after the date on which the event will be held or, if the  
11 event will be held on more than one day, after the last date on which  
12 the event will be held:

13           (1) the receipts to this state from taxes imposed  
14 under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5,  
15 Alcoholic Beverage Code, in the market areas designated under  
16 Section 480.0104;

17           (2) the receipts collected by this state for each  
18 endorsing municipality in the market area from the sales and use tax  
19 imposed by each endorsing municipality under Section 321.101(a),  
20 Tax Code, and the mixed beverage tax revenue to be received by each  
21 endorsing municipality under Section 183.051(b), Tax Code;

22           (3) the receipts collected by this state for each  
23 endorsing county in the market area from the sales and use tax  
24 imposed by each endorsing county under Section 323.101(a), Tax  
25 Code, and the mixed beverage tax revenue to be received by each  
26 endorsing county under Section 183.051(b), Tax Code;

27           (4) the receipts collected by each endorsing

1 municipality in the market area from the hotel occupancy tax  
2 imposed under Chapter 351, Tax Code; and

3 (5) the receipts collected by each endorsing county in  
4 the market area from the hotel occupancy tax imposed under Chapter  
5 352, Tax Code.

6 (b) The office shall make the determination required by  
7 Subsection (a) in accordance with procedures the office develops  
8 and shall base that determination on information submitted by a  
9 local organizing committee, endorsing municipality, or endorsing  
10 county.

11 (c) In determining the amount of state revenue available  
12 under Subsection (a)(1), the office may consider whether:

13 (1) the event has been previously held in this state;  
14 and

15 (2) changes to the character of the event could affect  
16 the incremental increase in tax receipts collected and remitted to  
17 this state by an endorsing municipality or endorsing county under  
18 Subsection (a)(1). (V.A.C.S. Art. 5190.14, Secs. 5C(b) (part),  
19 (c-1) (part), (q).)

20 Sec. 480.0103. TIME FOR DETERMINATION. The office shall  
21 determine the incremental increase in tax receipts under Section  
22 480.0102 not later than the earlier of:

23 (1) the 30th day after the date the office receives the  
24 information for an event submitted by a local organizing committee,  
25 endorsing municipality, or endorsing county on which the office  
26 bases the determination as provided by Section 480.0102(b); and

27 (2) three months before the date of the event.

1 (V.A.C.S. Art. 5190.14, Secs. 5C(b) (part), (c-1) (part).)

2           Sec. 480.0104. DESIGNATION OF MARKET AREA.   (a)   For  
3 purposes of Section 480.0102(a)(1), the office shall designate as a  
4 market area for an event each area in which the office determines  
5 there is a reasonable likelihood of measurable economic impact  
6 directly attributable to the preparation for and presentation of  
7 the event. The office shall include areas likely to provide venues,  
8 accommodations, and services in connection with the event based on  
9 the proposal the local organizing committee provides to the office.

10           (b) The office shall determine the geographic boundaries of  
11 each market area.

12           (c) An endorsing municipality or endorsing county selected  
13 as the site for the event must be included in a market area for the  
14 event. (V.A.C.S. Art. 5190.14, Sec. 5C(c).)

15           Sec. 480.0105. ESTIMATE OF TAX REVENUE CREDITED TO FUND.

16 (a) Not later than three months before the date of an event, the  
17 office shall provide an estimate of the total amount of tax revenue  
18 that would be transferred or deposited to the events trust fund  
19 under this chapter in connection with that event if the event were  
20 held in this state at a site selected in accordance with an  
21 application by a local organizing committee, endorsing  
22 municipality, or endorsing county.

23           (b) The office shall provide the estimate on request to a  
24 local organizing committee, endorsing municipality, or endorsing  
25 county.

26           (c) A local organizing committee, endorsing municipality,  
27 or endorsing county may submit the office's estimate to a site

1 selection organization. (V.A.C.S. Art. 5190.14, Sec. 5C(j).)

2       Sec. 480.0106. MODEL EVENT SUPPORT CONTRACT. (a) The  
3 office may adopt a model event support contract and make the  
4 contract available on the office's Internet website.

5       (b) The office's adoption of a model event support contract  
6 under this section does not require use of the model event support  
7 contract for purposes of this chapter. (V.A.C.S. Art. 5190.14,  
8 Sec. 5C(r).)

9           SUBCHAPTER D. FUND ESTABLISHMENT AND CONTRIBUTIONS

10       Sec. 480.0151. EVENTS TRUST FUND. The events trust fund is  
11 established outside the state treasury and is held in trust by the  
12 comptroller for administration of this chapter. (V.A.C.S. Art.  
13 5190.14, Sec. 5C(d) (part).)

14       Sec. 480.0152. DEPOSIT OF MUNICIPAL AND COUNTY TAX REVENUE.

15 (a) Each endorsing municipality or endorsing county shall remit to  
16 the comptroller and the comptroller shall deposit into a trust fund  
17 created by the comptroller, at the direction of the office, and  
18 designated as the events trust fund the amount of the  
19 municipality's or county's hotel occupancy tax revenue determined  
20 under Section 480.0102(a)(4) or (5), less any amount of the revenue  
21 that the municipality or county determines is necessary to meet the  
22 obligations of the municipality or county.

23       (b) The comptroller, at the direction of the office, shall  
24 retain the amount of sales and use tax revenue and mixed beverage  
25 tax revenue determined under Section 480.0102(a)(2) or (3) from the  
26 amounts otherwise required to be sent to the municipality under  
27 Sections [321.502](#) and [183.051\(b\)](#), Tax Code, or to the county under

1 Sections 323.502 and 183.051(b), Tax Code, less any amount of the  
2 revenue that the municipality or county determines is necessary to  
3 meet the obligations of the municipality or county, and shall  
4 deposit the retained tax revenue to the events trust fund.

5 (c) The comptroller shall begin retaining and depositing  
6 the municipal and county tax revenue:

7 (1) with the first distribution of that tax revenue  
8 that occurs after the first day of the period described by Section  
9 480.0102(a); or

10 (2) at a time the office otherwise determines to be  
11 practicable.

12 (d) The comptroller shall discontinue retaining the  
13 municipal and county tax revenue when the amount of the applicable  
14 tax revenue determined under Section 480.0102(a)(2) or (3) has been  
15 retained. (V.A.C.S. Art. 5190.14, Sec. 5C(d) (part).)

16 Sec. 480.0153. OTHER LOCAL MONEY. (a) In lieu of the  
17 municipal and county tax revenues remitted or retained under  
18 Section 480.0152, an endorsing municipality or endorsing county may  
19 remit to the office for deposit to the events trust fund other local  
20 money in an amount equal to the total amount of municipal and county  
21 tax revenue determined under Sections 480.0102(a)(2)-(5).

22 (b) An endorsing municipality or endorsing county must  
23 remit the other local money not later than the 90th day after the  
24 last day of an event.

25 (c) For purposes of Section 480.0155, the amount deposited  
26 under this section is considered remitted municipal and county tax  
27 revenue. (V.A.C.S. Art. 5190.14, Sec. 5C(d-1).)

1           Sec. 480.0154. SURCHARGES AND USER FEES. An endorsing  
2 municipality or endorsing county may collect and remit to the  
3 office surcharges and user fees attributable to an event for  
4 deposit to the events trust fund. (V.A.C.S. Art. 5190.14, Sec.  
5 5C(e) (part).)

6           Sec. 480.0155. STATE TAX REVENUE. (a) The comptroller, at  
7 the direction of the office, shall transfer to the events trust fund  
8 a portion of the state tax revenue in an amount equal to 6.25  
9 multiplied by the amount of the municipal and county tax revenue  
10 retained or remitted under this chapter, including:

- 11                   (1) local sales and use tax revenue;
- 12                   (2) mixed beverage tax revenue;
- 13                   (3) hotel occupancy tax revenue; and
- 14                   (4) surcharge and user fee revenue.

15           (b) The amount transferred under Subsection (a) may not  
16 exceed the incremental increase in tax receipts determined under  
17 Section 480.0102(a)(1). (V.A.C.S. Art. 5190.14, Sec. 5C(f).)

18                           SUBCHAPTER E. DISBURSEMENTS FROM FUND

19           Sec. 480.0201. DISBURSEMENT WITHOUT APPROPRIATION. Money  
20 in the events trust fund may be disbursed by the office without  
21 appropriation only as provided by this chapter. (V.A.C.S. Art.  
22 5190.14, Sec. 5C(d) (part).)

23           Sec. 480.0202. DISBURSEMENT FROM FUND. (a) After approval  
24 of each contributing endorsing municipality and endorsing county,  
25 the office may make a disbursement from the events trust fund for a  
26 purpose for which a local organizing committee, an endorsing  
27 municipality, an endorsing county, or this state is obligated under

1 an event support contract, including an obligation to pay costs  
2 incurred in making preparations necessary for the event and  
3 conducting the event.

4 (b) In considering whether to make a disbursement from the  
5 events trust fund, the office may not consider a contingency clause  
6 in an event support contract as relieving a local organizing  
7 committee's, endorsing municipality's, or endorsing county's  
8 obligation to pay a cost under the contract.

9 (c) If the office makes a disbursement from the events trust  
10 fund, the office shall satisfy the obligation proportionately from  
11 the local and state revenue in the fund. (V.A.C.S. Art. 5190.14,  
12 Secs. 5C(k) (part), (l).)

13 Sec. 480.0203. REDUCTION OF DISBURSEMENT AMOUNT. (a)  
14 After the conclusion of an event, the office shall compare  
15 information on the actual attendance figures provided under Section  
16 480.0251 with the estimated attendance numbers used to determine  
17 the incremental increase in tax receipts under Section 480.0102.  
18 If the actual attendance figures are significantly lower than the  
19 estimated attendance numbers, the office may reduce the amount of a  
20 disbursement from the events trust fund for an endorsing entity:

21 (1) in proportion to the discrepancy between the  
22 actual and estimated attendance; and

23 (2) in proportion to the amount the entity contributed  
24 to the fund.

25 (b) The office by rule shall:

26 (1) define "significantly lower" for purposes of this  
27 section; and

1           (2) provide the manner in which the office may  
2 proportionately reduce a disbursement.

3           (c) This section does not affect the remittance under  
4 Section 480.0207 of any money remaining in the events trust fund.  
5 (V.A.C.S. Art. 5190.14, Sec. 5C(t).)

6           Sec. 480.0204. ALLOWABLE EXPENSES. (a) Money in the events  
7 trust fund may be used to:

8           (1) pay the principal of and interest on notes issued  
9 under Section 480.0252; and

10           (2) fulfill obligations of an endorsing municipality,  
11 an endorsing county, or this state to a site selection organization  
12 under an event support contract.

13           (b) Subject to Sections 480.0202 and 480.0205, the  
14 obligations described by Subsection (a)(2) may include the payment  
15 of:

16           (1) the costs relating to the preparations necessary  
17 for conducting the event; and

18           (2) the costs of conducting the event, including costs  
19 of an improvement or renovation to an existing facility and costs of  
20 acquisition or construction of a new facility or other facility.  
21 (V.A.C.S. Art. 5190.14, Sec. 5C(h).)

22           Sec. 480.0205. LIMITATION ON CERTAIN DISBURSEMENTS. (a) A  
23 disbursement from the events trust fund is limited to five percent  
24 of the cost of a structural improvement or a fixture if:

25           (1) an obligation is incurred under an event support  
26 contract to make the improvement or add the fixture to a site for an  
27 event; and

1           (2) the improvement or fixture is expected to derive  
2 most of its value in subsequent uses of the site for future events.

3           (b) The remainder of an obligation described by Subsection  
4 (a) is not eligible for a disbursement from the events trust fund,  
5 unless the obligation is for an improvement or fixture for a  
6 publicly owned facility. (V.A.C.S. Art. 5190.14, Sec. 5C(k)  
7 (part).)

8           Sec. 480.0206. PROHIBITED DISBURSEMENTS. (a) Subject to  
9 Subsection (b), the office may not make a disbursement from the  
10 events trust fund that the office determines would be used to:

11           (1) solicit the relocation of a professional sports  
12 franchise located in this state;

13           (2) construct an arena, stadium, or convention center;  
14 or

15           (3) conduct usual and customary maintenance of a  
16 facility.

17           (b) Subsection (a) does not prohibit a disbursement from the  
18 events trust fund for the construction of temporary structures  
19 within an arena, stadium, or convention center that are necessary  
20 for the conduct of an event or temporary maintenance of a facility  
21 that is necessary for the preparation for or conduct of an event.  
22 (V.A.C.S. Art. 5190.14, Secs. 5C(k-1), (k-2).)

23           Sec. 480.0207. REMITTANCE OF REMAINING FUND MONEY. On  
24 payment of all municipal, county, or state obligations under an  
25 event support contract related to the location of an event in this  
26 state, the office shall remit to each endorsing entity, in  
27 proportion to the amount contributed by the entity, any money

1 remaining in the events trust fund. (V.A.C.S. Art. 5190.14, Sec.  
2 5C(m).)

3 SUBCHAPTER F. LOCAL POWERS AND DUTIES RELATING TO EVENTS

4 Sec. 480.0251. REQUIRED INFORMATION. (a) A local  
5 organizing committee, endorsing municipality, or endorsing county  
6 shall provide information required by the office to fulfill the  
7 office's duties under this chapter, including:

8 (1) annual audited statements of any financial records  
9 required by a site selection organization; and

10 (2) data obtained by the local organizing committee,  
11 an endorsing municipality, or an endorsing county relating to:

12 (A) attendance at the event, including an  
13 estimate of the number of people expected to attend the event who  
14 are not residents of this state; and

15 (B) the economic impact of the event.

16 (b) A local organizing committee, endorsing municipality,  
17 or endorsing county must provide any annual audited financial  
18 statement required by the office not later than the end of the  
19 fourth month after the last day of the period covered by the  
20 financial statement.

21 (c) After the conclusion of an event and on the office's  
22 request, a local organizing committee, endorsing municipality, or  
23 endorsing county must provide information about the event, such as  
24 attendance figures, including an estimate of the number of people  
25 who attended the event who are not residents of this state,  
26 financial information, or other public information held by the  
27 committee, municipality, or county that the office considers

1 necessary. (V.A.C.S. Art. 5190.14, Sec. 5C(i).)

2           Sec. 480.0252. ISSUANCE OF NOTES. (a) To meet its  
3 obligations under an event support contract to improve, construct,  
4 renovate, or acquire facilities or to acquire equipment, an  
5 endorsing municipality by ordinance or an endorsing county by order  
6 may authorize the issuance of notes.

7           (b) An endorsing municipality or endorsing county may  
8 provide that the notes be paid from and secured by:

9                   (1) amounts on deposit or amounts to be transferred or  
10 deposited to the events trust fund; or

11                   (2) surcharges from user fees charged in connection  
12 with the event, including parking or ticket fees.

13           (c) A note issued must mature not later than the seventh  
14 anniversary of the date of issuance. (V.A.C.S. Art. 5190.14, Sec.  
15 5C(g).)

16           Sec. 480.0253. PLEDGE OF SURCHARGES TO GUARANTEE  
17 OBLIGATIONS. An endorsing municipality or endorsing county may  
18 guarantee its obligations under an event support contract and this  
19 chapter by pledging, in addition to the tax revenue deposited under  
20 Section 480.0152, surcharges from user fees charged in connection  
21 with the event, including parking or ticket fees. (V.A.C.S. Art.  
22 5190.14, Sec. 5C(e) (part).)

23                   ARTICLE 2. CONFORMING AMENDMENTS

24           SECTION 2.01. Section [335.078](#), Local Government Code, is  
25 amended to read as follows:

26           Sec. 335.078. VENUE DISTRICT AS ENDORSING MUNICIPALITY OR  
27 COUNTY. (a) A venue district located in a county with a population

1 of 3.3 million or more may act as an endorsing municipality or  
2 endorsing county under Subtitle E-1, Title 4, Government Code  
3 [~~Chapter 1507, Acts of the 76th Legislature, Regular Session, 1999~~  
4 (~~Article 5190.14, Vernon's Texas Civil Statutes~~)].

5 (b) A venue district acting as an endorsing municipality or  
6 endorsing county under Subtitle E-1, Title 4, Government Code  
7 [~~Chapter 1507, Acts of the 76th Legislature, Regular Session, 1999~~  
8 (~~Article 5190.14, Vernon's Texas Civil Statutes~~)], shall remit for  
9 deposit into the trust fund established for the games or event the  
10 amounts determined by the comptroller under that subtitle  
11 [~~chapter~~]. The comptroller shall determine the incremental  
12 increase in receipts attributable to the games or event and related  
13 activities under that subtitle [~~chapter~~] based on the amount of  
14 applicable taxes imposed by each municipality or county that  
15 comprises the venue district and not on the amount of taxes imposed  
16 by the venue district.

17 (c) A venue district acting as an endorsing municipality or  
18 endorsing county under Subtitle E-1, Title 4, Government Code  
19 [~~Chapter 1507, Acts of the 76th Legislature, Regular Session, 1999~~  
20 (~~Article 5190.14, Vernon's Texas Civil Statutes~~)], may guarantee  
21 the district's obligations under a games or event support contract  
22 by pledging surcharges from user fees, including parking or ticket  
23 fees, charged in connection with the games or event and related  
24 activities.

25 (d) Subject to Subsection (b), a venue district acting as an  
26 endorsing municipality or endorsing county under Subtitle E-1,  
27 Title 4, Government Code [~~Chapter 1507, Acts of the 76th~~

1 ~~Legislature, Regular Session, 1999 (Article 5190.14, Vernon's~~  
2 ~~Texas Civil Statutes)]~~, as authorized by this section, has all the  
3 powers of an endorsing municipality or endorsing county under that  
4 subtitle [chapter], and any action an endorsing municipality or  
5 endorsing county is required to take by ordinance or order under  
6 that subtitle [chapter] may be taken by order or resolution of the  
7 venue district.

8 SECTION 2.02. Section 26.041(j), Tax Code, is amended to  
9 read as follows:

10 (j) Any amount derived from the sales and use tax that is  
11 retained by the comptroller under Chapters 476 or 477, Government  
12 Code [Section 4 or 5, Chapter 1507, Acts of the 76th Legislature,  
13 ~~Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil~~  
14 ~~Statutes)]~~, is not considered to be sales and use tax revenue for  
15 purposes of this section.

16 ARTICLE 3. REPEALER

17 SECTION 3.01. Article 5190.14, Vernon's Texas Civil  
18 Statutes, is repealed.

19 ARTICLE 4. GENERAL MATTERS

20 SECTION 4.01. This Act is enacted under Section 43, Article  
21 III, Texas Constitution. This Act is intended as a recodification  
22 only, and no substantive change in law is intended by this Act.

23 SECTION 4.02. This Act takes effect April 1, 2021.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 4174 was passed by the House on April 26, 2019, by the following vote: Yeas 137, Nays 2, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 4174 was passed by the Senate on May 15, 2019, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor